



Daily Report

Central Eurasia

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Yeltsin Addresses Constitutional Commission

Russian TV carries a speech by President Yeltsin at the opening of the Russian Constitutional Commission session on 29 July. Yeltsin said that he supports "a constitution that is based on the principle of division of powers, has a system of checks and balances," and "includes such elements as truly independent mass media, and most importantly, ensures the real implementation of very complex reforms." Yeltsin proposed several amendments to the draft constitution regarding the imbalance of executive and legislative powers, the principle of people's power, and provisions of the Federation Treaty, reports ITAR-TASS.

In his address, carried by Russian TV, Yeltsin also remarked on the Congress of People's Deputies, "calling it an "artificial, supraparliamentary entity that has not taken root in international practice. Its very existence is a constant basis for upsetting the balance between legislative, executive, and legal authorities."

Azerbaijani Defense Minister Resigns

ASSA-IRADA reports that Azerbaijani Defense Minister Rakhim Gaziyeu resigned due to "non-agreement with the presidential decree appointing R. Aliyev as military prosecutor of the Republic." Gaziyeu claimed that Aliyev "soiled the name of law-enforcement bodies" during his tenure as Baku's deputy prosecutor.

DEN Publishes Baker Letters to Kozyrev

ITAR-TASS reports that the Foreign Ministry accused the "opposition newspaper DEN" of "bringing to public attention" letters from U.S. Secretary of State James Baker to Andrey Kozyrev instructing him, on the eve of his trip to Yugoslavia, "to take a more rigid stand against Belgrade." Foreign Ministry Spokesman Yastrzhembskiy called DEN's action "uncivilized" and expressed the ministry's desire to see the newspaper prosecuted.

CIS Media Representatives Sign Agreements

Moscow TV reports that the CIS TV and radio representatives met in Moscow and "reached agreement on the documents required to establish an interstate television and radio broadcasting company," which will be paid for accordingly: "Each state pays for the delivery of the signal to its territory; then expenditures of the company constitute one-third of a unit which we can try to recover by certain company activities; that is, to make the company self-recouping."

Moldovan Cabinet Approved; Peacekeeping Forces Arrive

ITAR-TASS reports that the Moldovan parliament approved a new Cabinet of Ministers on 29 July. According to the report, deputies "'found a common language' and concluded backstage 'gentlemen's agreements' on mutual concessions to promote 'their own' candidates."

Bucharest Radio reports that the "Unified Control Commission—a mechanism set up through the Convention on the Peaceful Settlement of the Armed Conflict in the Dniester region of the Republic of Moldova"—signed a document that "establishes the composition, number, and deployment of the troops of the peacekeeping forces." Bucharest Radio reports that the first Russian peacekeeping forces arrived in Bendery (Tighina) on 29 July.

Black Sea Fleet Proposals to Russia, Ukraine*LD3007090892 Moscow ITAR-TASS World Service
in Russian 0722 GMT 30 Jul 92**[By ITAR-TASS correspondent Sergey Ostanin]*

[Text] Moscow, 30 Jul—There must be two equal operational and strategic associations—the Russian Fleet and the Ukrainian Navy—on the Black Sea. They both must be accountable to a joint operational and strategic command. This proposal has been put forward by the coordinating council of the officers' assemblies in their appeal to the Russian and Ukrainian Supreme Soviets. The ITAR-TASS correspondent learned this today from Captain First Class Valeriy Volodin. In the opinion of the Black Sea Fleet officers, the Fleet's infrastructure must be subordinate to a joint operational and strategic command. This situation will open up good opportunities for the implementation of a joint shipbuilding program, which Russia and Ukraine will not be able to carry out separately, the officer said. The Fleet believes that the implementation of these proposals will create favorable conditions for effective economic cooperation between the two states and comprehensive solution of military and political problems. Our proposals have been considered at the Ukrainian Supreme Soviet and Rear Admiral Boris Kozhin, commander of the Ukrainian Navy, has familiarized us with its stand, Valeriy Volodin stressed. The Russian Supreme Soviet has not yet replied to our telegram, he said. The coordinating council hopes that the officers' proposals will be considered by the Russian and Ukrainian presidents at the meeting in Yalta on 3 August. They will discuss the progress in the fulfillment of the Dagomys agreements, Captain First Class Volodin said in conclusion.

CIS Media Representatives Agree on Documents*LD3007100292 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1700 GMT 29 Jul 92*

[Report by T. Komarova on the "Novosti" newscast, including interviews with G.M. Shalakhmetov, chairman of the Kazakh State Television and Radio Company and Ye. V. Yakovlev, chairman of the Ostankino Television and Radio Company—recorded]

[Text] [Komarova] Let us start at the finish. A politically important action has taken place. The plenipotentiary representatives of the television and radio organizations of 10 CIS states have reached agreement on the documents required to establish an interstate television and radio broadcasting company. Now it is up to the heads of governments.

For the most part, today the conference hall was incomparably quieter than it was yesterday. The editorial commission submitted documents which were finalized overnight. Everyone became absorbed in reading. The discussion was very quiet, with the manifest desire to find a common language although everyone so far is

obviously afraid of the word common in the documents and is trying to avoid it. The concept of the future company, after finalizing, satisfied those present.

Perhaps the main thing is the fact that the company intends to create a new type of information space and not to use the mighty weapon of the ether to the detriment of the states whose territory it intends to cover.

[Kamorava to Shalakhmetov and Yakovlev] Can we assume that correspondents will find it considerably more difficult in the new company because information which reaches the editorial office cannot always suit the governments of interested states? How will this information be selected or controlled?

[Shalakhmetov] Each broadcasting organization has its own charter documents, a code of conduct for its staff members, and their rights and obligations. During these two days, we have prepared the foundations for such documents.

[Komarova] Who will finance this company? The governments of the states concerned or, since this a joint-stock company, will the company earn its own livelihood?

[Yakovlev] If the documents which we have prepared are adopted, each state pays for the delivery of the signal to its territory; then expenditures of the company constitute one-third of a unit which we can try to recover by certain company activities; that is, to make the company self-recouping.

Another matter is very important. The entire conference called on the governments to return to the discussion of the problem of resuming the subscription fee, which existed for many years and was canceled.

Military Council Protests Holding of Soldiers*OW2807163892 Moscow INTERFAX in English
1559 GMT 28 Jul 92**[Transmitted via KYODO]*

[Text] The Transcaucasus Military Regional Council has protested to the Armenian and Azerbaijani Governments about two Russian Army servicemen of Armenian and Azerbaijani nationality taken hostage at the beginning of July by armed units. The Council stated that it would take all measures to gain the soldiers' release and would not allow its soldiers to be used like playing cards in the conflict between Armenia and Azerbaijan.

Meanwhile, the Transcaucasus Military Regional Press Centre gave details about the recent death of the Russian Army Major Sergey Zaytsev in Yerevan. On his way to work, he was stopped by a group of strangers and shot in a fight which broke out. The bandits also took the former Major Aleksandr Zinchenko with them beyond the city but let him go after telling him to get out of Armenia within two days.

The press centre told us that the Armenian leadership has assured the Military Region that the criminals would be found and locked up as soon as possible.

Soviet Foreign Property Distributed Among CIS

*LD3007051992 Moscow Mayak Radio Network
in Russian 0500 GMT 30 Jul 92*

[Text] During the distribution of the foreign property of the former Soviet Foreign Policy Department among the CIS, Russia is proposed to receive 61 percent, Ukraine 16, Byelarus 4 percent, and the other Commonwealth States between from 1-1.5 percent. RIA learned this from Sergey Yastrzhembskiy, director of the Department of Information and the Press of the Russian Foreign Ministry.

Russian Economic Ties With USSR Viewed

*PM2907135392 Moscow ROSSIYSKIYE VESTI
in Russian 28 Jul 92 p 3*

[Aleksandr Granberg "Opinion": "The New Foreign Lands and Us"]

[Text] Many people will obviously have noticed that none of the previous versions for implementing the reforms contained a section devoted to the special economic relations existing between Russia and the former republics of the Union, and there could not have been because the disintegration of the USSR and the emergence of fundamentally new relations among the states which arose on its territory were accomplished quite recently. The drafters of the program were thus confronted with the task of creating a whole chapter relating to the problems which have arisen.

What is the logic of the section? Russian interests vis-a-vis the newly independent states stand to the fore. They represent a combination of economic and geopolitical interests plus a concern for the Russians who suddenly found themselves living abroad. Therein resides the complexity—it is impossible to separate these three groups from one another, to single any particular one out and refine it. You must not, say, tackle trade and financial issues in isolation, forgetting that we live in a new geopolitical area or considering that our economic interests are confined within the Russian borders while 25 million Russians and 4 million people belonging to other indigenous nationalities of Russia live in the new autonomous countries.

Within the broad framework of maintaining Russia's interests, various models for its relations with the former republics of the Union are under consideration. There existed previously an economic system which was often described as the unified national economic complex. This description is often regarded ironically now. However, one should not ignore the truth that the degree of interconnectedness and interdependence of the union republics was very considerable, and this cannot and should not disappear.

True, even if the Union had remained, its unified economic area would have inevitably been radically transformed, and the inevitability of those transformations would have been due first and foremost not to politics but would have been determined by the switch to new market-type economic relation. It could have been gradual, but the Union disintegrated and that increased the difficulty of the leap to the new state.

So what kind of economic relations can exist among the new states now? There are several models.

We would like to retain, as much as possible, deep integration with all the former republics of the USSR making no exception for anyone, but not everything lies within our scope and it is not just Russia's interests that form the reality of interstate ties. What, then, is the core of the model of integration? It resides in a single economic area, including a common monetary and credit system, the absence of any restrictions to the shipment of goods, services, and capital, the free movement of the population, a coordinated socioeconomic policy, and a common line in relation to third countries. Of course such integration does not exist now, nor did it exist any longer last year. Certain of its elements, however, have been retained. Our task is to maintain and strengthen them as much as we can.

At the same time it is clear that it is impossible and indeed inadvisable to build some kind of homogeneous system of relations in the area of the former USSR. The relations are undergoing differentiation. Russia has now established the closest ties with Kazakhstan and Byelarus. Progress in economic relations with Ukraine has also emerged since the Dagomys meeting.

Another model is based on a customs union: the free movement of goods and services and a uniform customs policy regarding third states. The next potential model is a free trade association or zone. The most likely trend is a certain symbiosis of all the qualitatively different types of model.

The most recent seven months of the CIS existence are assessed differently by politicians, economists, and journalists. Some talk about its condition and prospects in sepulchral tones. Others, citing the recent meeting of heads of state in Moscow, are full of optimism, and actually the evolution of the CIS has been highly contradictory, although I would not say that it has been unexpected or unpredictable.

On the one hand, the obstacles built up in the area of the former USSR over the last two years are being cleared. Here you have to sever what is becoming nonviable. A country, say, is getting ready to leave the ruble zone. The need arises to regulate all the financial, credit, payment, and settlement relations stemming from this factor. Take the dividing up of property, which is a very painful issue that does nevertheless demand a solution. Here, national interests clearly prevail over the desire to maintain commonality.

At the same time unifying elements are appearing: for example, the agreement on the Customs Union and accords on common environmental programs, the upkeep of infrastructure, and the use of airspace. The economic aspects of the functioning of the Joint Armed Forces also belong here.

The government program defines the main areas in which economic collaboration will develop: that is, trade, monetary, payment, and settlement relations and joint activity, including general investment programs, and the functioning of interstate economic structures. It is noteworthy that as the program was being written substantial improvements in line with the planned scenario were already occurring in this sphere. It can be said therefore that the program was starting to work even before it came out.

Take the monetary and credit sphere: A very complex task is now being tackled, namely, what is to be done if certain states decide to introduce their own national currency. This process should take the form of a civilized "divorce," causing no harm to those who remain in the ruble zone. The first pitfall has essentially been avoided: At the start of July the heads of 10 states signed an agreement protecting the interests of the ruble zone during the switch by certain states to their own monetary units. At the same time another problem arose: How were those who decided to stay with the ruble to exist? The program sets out what should be done, in particular, to remove the main concern—the coordination of the issuing of credit. It articulates the government's intention to create tough rules governing the functioning of the ruble zone.

As far as reciprocal trade is concerned, the influence on it of the transitional stage—from centralized material and technical supply to free trade ties—will last a pretty long time. The maintenance of states as trading partners and, consequently, as parties to interstate trade agreements is a special component of the transition. However, the trend is such that their share of overall commodity turnover will decrease.

Yet another situation of conflict will have to be overcome here—a smooth glide from state prices, that are infinitely remote from market ones, to world prices has to be effected, and that entails the drafting of agreements on the rate of the ruble. Today, however, new currencies are emerging in addition to the ruble, which will substantially complicate the matter.

Joint activity should serve as a factor of rapprochement. We will endeavor to create the most favorable conditions possible for the foundation of joint ventures on Russian territory. We are hoping for an identical approach on the part of our partners.

The question of exporting financial capital and capital goods [proizvodstvennyy kapital] is a fundamentally new one. We mostly talk about investments from the West, but in our relations with the former republics we can ourselves be major investors. Such an opportunity

derives not from Russia's economic or political ambitions but from the need to balance economic relations with the former republics on mutually beneficial terms.

Russia, after all, has always had a positive trade balance with them, but it generates financial debt. It is unrealistic to obtain a balance through trade: The new independent states are not in a position to substantially increase their exports to Russia, while no one has an interest in diminishing commodity turnover. The idea of converting debt has therefore arisen. Russia could purchase enterprises or their shares in the former republics.

The program devotes considerable space to socioeconomic policy in the new foreign parts (I stress "new" and not "nearby," as we are now used to saying, since many of the new independent countries do not even have common borders with Russia). Many Russians live in the former republics, and here for the first time a government document poses the strategic task of stabilizing their socioeconomic position. Politicians must defend their civic rights, and those engaged in the economic sphere must defend their economic rights; that is, when conducting economic policy they must consider whether the policy sustains this numerous group of people or not.

I have mentioned here in a very condensed way only the major tenets of the program concerning Russia's economic ties with the former Soviet republics. The immediate measures concerned with their implementation this current year have already been prepared. The drafting team is ready to examine proposals submitted during discussion of the published version and to compare also the positions formulated with the opinion of their foreign colleagues.

Editorial Says CIS 'Written Off' Prematurely

PM2807133392 Moscow IZVESTIYA in Russian
25 Jul 92 Morning Edition p 7

["Editorial Viewpoint": "Do Not Write Off the CIS"]

[Text] From the moment of its birth the CIS has been written off. What is more the most varied of people are joining in—from conservatives to liberals, from former communists to national democrats. There are also figures from parliament here and prisoners from Matrosskaya Tishina prison. Each one is singing his own tune. Some remain convinced to this day that it is only the Union which is indissoluble and that the State Committee for the State of Emergency was called on to save it. Others have been brought to power by the explosion of centrifugal forces, and, while sensing the danger of becoming distanced, they are afraid of slamming on the brakes. Still others stand firm in the thought that the Commonwealth is not viable by analyzing the daily dispatches from the fronts which have opened on its borders.

What can you say, there are more than enough grounds for gloomy forecasts. The economy's collapse, the population's impoverishment, and the bloody interethnic conflicts are, in the minds of the masses, a direct result of the Union's collapse. Leaders of the CIS and of countries which are not members of the Commonwealth but were part of the USSR are not succeeding in stopping this destructive chain reaction. The documents adopted at summit meetings have firmly won themselves the reputation of statements of intent. How many of them have been adopted already? But what has changed?

Hang on. Is it possible that nothing has happened? In recent days we have been watching on television heavy combat equipment leaving the line of contact in the Dniester Region and vehicles entering the streets of Tskhinvali carrying troops from the multinational peace-keeping forces. Take an example of a different order. A joint session of the Russian and Byelorussian Governments is in progress in Moscow; Yegor Gaydar will call its results a step toward confederation, and Vyacheslav Kebich will agree with him. The idea of creating a Commonwealth coordinating and consultative council on economic problems, which Nursultan Nazarbayev came out with, no longer seems to be unfeasible. Both dividing up the former USSR's property in a civilized manner and defending the interests of the "ruble zone" states is turning out to be possible.

How can you explain the change of direction from confrontation to cooperation which has manifested itself? The leaders are acquiring political experience and are becoming convinced of the fruitlessness of power plays. There are many people urging them to do this in Russia, Moldova, and in the Transcaucasus. Their voices have recently stopped the rumble of gunfire. Now that the field guns have fallen silent—if only in South Ossetia and the Dniester Region—the "patriots" are inclined to credit themselves with this, although bellicose statements only prolong wars. It is negotiations which stop them.

It is, of course, not right to exaggerate what the Commonwealth leaders, and those of other states from nearby foreign lands did last week. It is not right to underestimate this either. There was less warring and death across the CIS's expanses. An instrument to divide the warring sides appeared—collective peacekeeping forces. Hope has not been lost that events will demand that there are permanently acting coordinating bodies for the Commonwealth.

So we will not be writing off the CIS prematurely.

ITAR-TASS Carries Press Review for 29 Jul
LD2907070792 Moscow ITAR-TASS in English
0547 GMT 29 Jul 92

[*"Press Review"*—ITAR-TASS headline]

[Text] Today's newspapers widely comment on an incident which occurred in Estonia on July 27, in which two people were wounded during clashes between Russian and Estonian servicemen in the centre of Tallinn.

The NEZAVISIMAYA GAZETA writes that the incident was provoked by the Estonian side on the pretext that Russian servicemen are still stationed on the Estonian territory. The newspaper points out that actions of this kind can be considered as "a provocation or even the beginning of combat operations" against Russia.

The KRASNAYA ZVEZDA newspaper commenting on the incident in Tallinn says that a complicated situation has emerged in Estonia. The newspaper quotes Admiral Yegorov, commander of the Baltic Sea Fleet, as saying that continued attacks on servicemen are "fraught with hard consequences".

"However, Russian servicemen display constraint," he added.

The NEZAVISIMAYA GAZETA and the KOMSOMOLSKAYA PRAVDA newspapers point out that despite the success of the peace-keeping mission in Moldova, sporadic military clashes still occur there. Both newspapers blame the incidents not on the warring sides, but on the so-called "third force" which is interested in the continued bloodshed.

The NEZAVISIMAYA GAZETA writes that a curfew might be imposed on the territory of South Ossetia.

The NEZAVISIMAYA GAZETA also published an article with an analysis of the consequences which the implementation of the treaty on conventional armed forces may bring for Russia. The newspaper arrives at the conclusion that the ratification of the treaty on the conventional armed forces in Europe and its implementation fully meet Russia's interests and will promote its security.

The NEZAVISIMAYA GAZETA publishes an interview with the Byelorussian ambassador to Poland Vladimir Senko, who said that Byelorussian neutrality meets everyone's interests. He believes this position is a long-term foreign policy strategy of Byelorussia.

Commenting on the results of a recent public opinion poll, the NEZAVISIMAYA GAZETA writes that Russian Vice-President Aleksandr Rutskoy became the most popular politician in the country with a 28 per cent popularity.

The KRASNAYA ZVEZDA newspaper carries an article by Russian politologist Oleg Vladimirov who comments on the problem of strengthening nuclear security on the Korean Peninsula.

The newspaper also carries a sports round-up devoted to the Olympic Games in Barcelona and points out that the CIS united team made a successful start by winning six gold medals.

The visit of the Russian President Boris Yeltsin to Japan due in September will evidently become another major trial both for the president and his cabinet, the NEZAVISIMAYA GAZETA writes referring to closed parliamentary hearings devoted to Russian-Japanese relations.

The very fact that such hearings are conducted has become a signal for the opposition to resume their attacks on the foreign policy of Yeltsin's government, the newspaper said.

Press Review for 30 Jul

LD3007055492 Moscow ITAR-TASS in English
0503 GMT 30 Jul 92

["Press Review"—ITAR-TASS headline]

[Text] Moscow July 30 (ITAR-TASS)—Today's newspapers highlight the hearings at the Russian Constitutional Court, President Boris Yeltsin's speech at the constitutional commission in which he made remarks and proposed amendments to the draft constitution, discussions around the problem of the Kuril Islands and the situation in "hot" spots, including the Dniester region, Nagorno-Karabakh, South Ossetia.

"The president is interested in how we manage to assert at the hearings our positions which have been worked out during preparations for the trial," NEZAVISIMAYA GAZETA quoted the state secretary under the Russian president Mr. Gennady Burbulis as saying.

He (Yeltsin) takes as much interest in the trial as we do, being sure of the court's objectivity and the professionalism of his team, Burbulis said.

He described the hearings as a trying explanation of things which have long been clear to the Russian society and the whole world.

According to Burbulis, Democrats have obviously underestimated the roots of the poisonous system which discharged another portion of madness during the coup, and believed too much in pledges to observe law and promote the implementation of Russian reforms.

The SOVETSKAYA ROSSIYA newspaper carries an article by Gennady Zyuganov entitled "Hearings: Judges and Fates", which is devoted to the session of the constitutional court.

Referring to a plenary session of the constitutional commission, the KOMSOMOLSKAYA PRAVDA newspaper wrote that "the main conclusion which can be drawn from the president's speech is that there is a strong desire to enhance and strengthen the position of the executive power."

"Yeltsin, as a supporter of a strong democratic state, believes that one of the main conditions of the existence of such a state is the independence of the mass media," the newspaper pointed out.

Commenting on the results of July's public opinion poll on popularity of Russian leaders, Russian Vice President Alexander Rutskoy said in an interview with the NEZAVISIMAYA GAZETA, the results of the poll make it possible to arrive at a conclusion that the number of supporters of the centrist positions of the president and reforms is growing. The people's attitude to leaders who have assumed extreme left-wing or right-wing positions is becoming more negative, Rutskoy said.

"I am a supporter of liberal reforms and strong power. I am convinced that no reforms will work, especially in Russia, unless there is strong power," Rutskoy said.

The Russian minister for the press and information, Mikhail Poltoranin, commenting on a resolution adopted by the Russian Parliament on the IZVESTIYA newspaper, said to KOMSOMOLSKAYA PRAVDA that the staff of the IZVESTIYA can set their minds at rest for the time being. Our lawyers have thoroughly studied the text of the resolution, saying that a new newspaper "IZVESTIYA of the People's Deputies of the Russian Federation" will be established, Poltoranin said.

The Democratic movement has coped with the tasks which were outlined when it was being formed, but it has failed to build a second echelon, which could forsee its tasks in routine, less public activity in the sphere of organisation, implementation of reforms on the spots, mobilisation of society to comprehend, accept and support these reforms by one's own participation in them, Gennadiy Burbulis said in an interview with the NEZAVISIMAYA GAZETA.

NEZAVISIMAYA GAZETA carries an interview with the first deputy Russian foreign minister Fyodor Shelov-Kovedyaev, who said that "criticising Russia's foreign policy we are faced with a dangerous, non-professional approach".

The president, Russian foreign minister Mr. Kozyrev and I are put under pressure by conservative and a part of democratic forces who are inclined to look only for mistakes and failures in our foreign policy, Shelov-Kovedyaev said.

"Such criticism is offered by the people who are deliberately or naively putting an equation mark between 'strong policy' and 'policy of force', i.e. violence, which for many decades was presented to our society as a pledge of universal happiness and well-being," Shelov-Kovedyaev said.

KOMSOMOLSKAYA PRAVDA carries an article entitled "The Last Rot-Front" which reports on the former East German leader Erich Honecker's departure from Moscow to Germany where he is to stand trial on charges of issuing orders to fire at people who tried to flee to West Germany.

Yeltsin, Bush Hold Telephone Conversation

*LD2907173692 Moscow ITAR-TASS World Service
in Russian 1654 GMT 29 Jul 92*

[By unidentified ITAR-TASS correspondent]

[Text] Moscow, 29 Jul—A telephone conversation took place this afternoon between Russian President Boris Yeltsin and U.S. President George Bush took place at the initiative of George Bush, Vyacheslav Kostikov, the president's press secretary, said.

George Bush told Boris Yeltsin that the examination of the freedom support draft law has made noticeable progress at the U.S. Congress. The U.S. President stressed that the U.S. Administration is doing everything possible in order to ensure such support.

Boris Yeltsin expressed satisfaction with this information and stressed that despite serious difficulties, democratic reforms in Russia continue and the people support them. This is also confirmed by the recent tour of Russian regions, the president said.

Boris Yeltsin informed the U.S. President about the upcoming meeting with Ukrainian President Leonid Kravchuk in Yalta on 3 August.

During the conversation questions of implementing the UN decisions on Iraq and Yugoslavia were touched upon. Noting that changes have recently been observed in the positions adopted by these states, the Russian president stressed that the world community will judge the implementation of UN decisions not by words and statements but by deeds. "Russia is prepared to help to ensure that UN decisions are implemented," Boris Yeltsin said.

Ministry on Paper Publishing Baker Letters

*LD2907185292 Moscow ITAR-TASS in English
1800 GMT 29 Jul 92*

[By ITAR-TASS diplomatic correspondent]

[Text] Moscow July 29 TASS—Russia's Foreign Ministry on Wednesday [29 July] accused the opposition newspaper "DEN" (The Day) of bringing to public attention the correspondence between U.S. Secretary of State James Baker and his counterpart in Russia Andrey Kozyrev. Ministry Spokesman Sergey Yastrzhembskiy termed the action "uncivilised" and said the ministry wished the paper be prosecuted. He did not deny the authenticity of the letters though.

In his letters, written in May and June this year, Baker, calling Kozyrev "Dear Andrew", instructed him on the eve of his trip to Yugoslavia and recommended him to take a more rigid stand against Belgrade.

This is not the first time the ministry accuses the newspaper. In an earlier development Russian Foreign Ministry was furious over the publication of Foreign

Ministry's classified telegramme on sanctions against Serbia and initiated legal proceedings against the opposition weekly.

Foreign Ministry Gives Briefing on Japan

*LD2907153992 Moscow ITAR-TASS in English
1504 GMT 29 Jul 92*

[By ITAR-TASS correspondents Rostislav Gertsev and Sergey Staroselskiy]

[Excerpt] Moscow July 29 TASS—Russian Foreign Minister Andrey Kozyrev described the parliamentary discussions on the territorial dispute with Japan over the disputed Kuril on Tuesday [28 July] as "heated but useful exchange of opinions" which could help President Boris Yeltsin form policy on the issue before he goes to Japan in September. Russian Foreign Ministry spokesman Andrey Yastrzhembskiy told a briefing in Moscow today. [passage omitted]

Foreign Ministry Questioned

*PM3007133392 Moscow PRAVDA in Russian
30 Jul 92 p 3*

[Yuriy Vdovin report: "Facing a Choice"]

[Text] What the Russian foreign policy department was unable or unwilling to do has been done by the inhabitants of the Federation itself. The entire country is currently witnessing an unusual outburst of statements and protests against meeting Japan's territorial claims. A wave of protest has swept through the Far East and Siberia, and Russia's central regions are joining in. This is explained not only by the approach of President B. Yeltsin's planned mid-September visit to Japan—where the question of territorial demarcation between the two countries will be the main issue—or the parliamentary hearings into the South Kuril problem, held behind closed doors. The reasons go far deeper. The public would like to use the example of the disputed islands to get some answers to many other questions of Russian foreign policy—does it have any clear-cut guidelines and aims, who formulates and upholds them, why is Russia's position on certain issues formulated in such-and-such a way, etc.

A clear answer to the question of whether the "disputed islands will be handed over to Japan or not" is awaited with great interest both in Russia and in other Commonwealth cities. As far as the latter—what are now called "nearby foreign parts"—are concerned, the interest is in seeing how the successor to the Union handles the pieces of territory which previously belonged to the former Soviet republics. After all, they too made their contribution to their return to the USSR and their further development. At the same time, they are counting on drawing some lessons from the resolution of the dispute between Russia and its mighty Oriental neighbor—after all, similar problems could arise and are already arising in different fragments of the Union. For Russia,

resolving this issue will be a severe test for its foreign policy line vis-a-vis the world's number two industrial power—a line which, official Russian Foreign Ministry spokesmen state, will be based on the principle of “legality and justice.”

Attention is drawn to the fact that, as the Russian president's visit draws nearer, official Tokyo is stepping up its pressure on Moscow with a view to forcing it to concede Japan's territorial demands. There have been attempts to internationalize a territorial demarcation problem which is a bilateral relations issue, there has been the large-scale publication of Russian-language propaganda material, and there have been other steps. Strange as it may seem, the Russian Foreign Ministry has been quite passive about neutralizing these actions, which fact is giving rise to conjecture and the most varied rumors.

All this can only be stopped by a clear and unambiguous statement of Russia's position on the question of territorial demarcation with its Japanese neighbor. Any concession in this long-standing dispute could give rise to new conditions and claims, and not only from the Land of the Rising Sun. Then the great power—as the democrats call Russia—would again be forced to choose between making more concessions or showing firmness and resolve.

Shikotan Residents Urge Fast Action on Kurils

*OW2907211092 Moscow INTERFAX in English
1926 GMT 29 Jul 92*

[Transmitted via KYODO]

[Text] Residents of the island of Shikotan (one of the South Kuril islands) call upon the governments of Russia and Japan for a faster resolution of the question of the islands' future and an immediate clarification of the positions of both sides. In a plea sent to Russian President Boris Yeltsin and Foreign Minister Andrey Kozyrev, as well as to Japanese Prime Minister Kiichi Miyazawa and Foreign Minister Watanabe, Shikotan residents expressed their hope that they will be guaranteed protection of their social rights during the period before a peaceful agreement is signed.

The authors of the plea note that in the worst case, inhabitants of the island reserve the right to reject each of the countries and appeal to international social organizations.

The plea was signed by 1,074 residents of the island. Signatures are still being collected.

Commentary on Japanese Northern Territories

*OW3007004192 Moscow Radio Moscow in Japanese
0900 GMT 28 Jul 92*

[Commentary by station commentator Valeriy Tsvotarev—read by announcer]

[Text] Listeners, the Russian Supreme Soviet is scheduled to discuss overall relations between Russia and Japan at its 28 July session, and it is expected that the problem on how to handle the the issue concerning the Southern Kuril Islands, which are known in Japan as the northern territories, will become the focal issue at the discussion. In this connection, Moscow Radio commentator Valeriy Tsvotarev states the following:

The territorial issue, which has already remained unsettled for dozens of years, has cast shadows on bilateral relations and has obstructed the conclusion of a peace treaty between the two nations.

The point at issue concerns several small islands generally known as Kunashiri, Etorofu, Shikotan, and Habomai. The Japanese side maintains that these islands, which were transferred to the Soviet side after World War II, belong to Japan. Regarding this issue, the former Soviet leadership had long denied the existence of the territorial issue itself, and it was during former Soviet President Gorbachev's visit to Japan last year that Moscow formally admitted its existence for the first time. Even after the breakdown of the Soviet Union, Russia has not rejected this position.

So, has any development been made regarding settling the Southern Kuril Islands issue today? Of course, a very positive answer can be given to this question. The territorial issue has always been discussed at the meetings of the Russian-Japanese working group on concluding a peace treaty, and the Russian side, including President Yeltsin, has issued a series of proposals for coordinating a settlement on this issue. Moreover, with a view toward demilitarizing these islands, reduction of Russian troops stationed on these islands has already started.

During the past six months, the position taken by the Japanese side on the northern territorial issue has become more definite and concrete. For example, despite the fact that the Japanese side used to insist on its position that the only precondition for concluding a peace treaty between the two nations lies in the immediate transfer of the ownership of these four islands, it has now indicated readiness to hold talks on the methods and a time limit for settling this issue without withdrawing its demand for the return of these islands.

Thus, some positive developments have been made. Nevertheless, there is no change in the fact that the problem concerning the handling of the Southern Kuril Islands still constitutes the most complicated and troublesome issue pending in the relationship between Russia and Japan.

At the diplomatic level, the two sides seem to have exhausted all the legal and historical arguments concerning this issue. The only solution now seems to lie in some political settlement. As is known to all, however, politics is something that cannot be easily pursued.

In Japan, there are still many people who support taking a hardline against Russia. Meanwhile, public opinion—for

example, among residents on these islands—has not been able to reach an accord on the Southern Kuril Islands issue in Russia. There are also many people who are opposed to even holding talks with Japan on this issue.

Nevertheless, it is quite obvious that radical views or an emotional approach will only serve as a braking device to the settlement of the issue, which is difficult to solve. Common interests for both Russia and Japan lie in eliminating the after effects of World War II. It is necessary today to achieve this purpose in order to give this issue thorough consideration and to work out measures for a settlement that is acceptable to both sides.

Honecker Leaves Chilean Embassy in Moscow

*LD2907183892 Moscow ITAR-TASS in English
1750 GMT 29 Jul 92*

[By ITAR-TASS correspondent Aleksey Koriyenko]

[Text] Bonn July 29 TASS— Former East German leader Erich Honecker left on Wednesday [29 July] the Chilean Embassy in Moscow where he has been staying since late last year as a guest of the Chilean ambassador to Russia and was transported to Berlin where he will stand trial for manslaughter.

In Berlin, Honecker will be placed in an investigation prison where he had already stayed between 1935 and 1937, Uta Foelster, a German justice official, said.

It is still unclear where the plane with Honecker and his wife Margot will land. However, Dieter Naumann, Berlin's prosecutor general, believes the plane should land at Sperenberg Aerodrome outside Berlin from where Honecker was flown to the Soviet Union for medical treatment in the spring of 1991. The DPA news agency said the plane is expected to arrive at around 22:00 Berlin time on Wednesday at Tegel Airport in West Berlin.

While Honecker's future will be decided by the court, the fate of his wife remains unclear. Since no warrant has been issued for her arrest, she may be provided with housing, DPA said.

Leaves on 'Own Free Will'

*LD3007113492 Moscow ITAR-TASS in English
1126 GMT 30 Jul 92*

[By ITAR-TASS correspondent Vasily Titov]

[Text] Moscow July 30 TASS—"Yesterday's transfer of Erich Honecker (to Germany) was absolutely tactful [as received]. Honecker decided to leave the Chilean Embassy on his own free will," a high-ranking Russian Foreign Ministry official told TASS on Thursday [30 July].

The position of the Russian Foreign Ministry on Honecker's case had a legal basis—the decision to the effect adopted by the Russian Government last November.

"All subsequent measures, including Honecker's transfer on Wednesday from the Chilean Embassy in Moscow to Berlin, were taken in keeping with this decision," the diplomat said.

He recalled that the decision on Honecker's extradition was adopted with the participation of the Russian Ministry of Justice.

Top officials of the ministry were instructed to bring the decision to Honecker's notice, which was done last December in the presence of representatives from the Foreign and the Interior Ministries, the diplomat said.

At all subsequent stages, the Russian Foreign Ministry acted in strict compliance with international norms, he pointed out.

The Russian Ministry of Justice was fully aware of the progress of talks on Honecker's fate, the diplomat added.

Romanian 'Interference' in Moldova Viewed

*LD3007102792 Moscow ITAR-TASS in English
0949 GMT 30 Jul 92*

[By ITAR-TASS diplomatic correspondent Igor Shubin]

[Text] Moscow July 30 TASS—Recent statements of Romanian leadership accusing Russia of supporting "Dniester separatists" and attempts to deprive Moldova of part of its sovereignty can be qualified only as interference into Moldovan internal affairs, according to a high-ranking Russian diplomat.

The statements correspond to the 1968 doctrine on "reunification of Moldova with the motherland" and are an attempt to use the Dniester conflict to split Moldova and the Commonwealth, he told TASS on Thursday [30 July].

The agreement concluded by the Russian and Moldovan presidents on a peaceful settlement in the Dniester region meets the interests of all the sides involved. The deployment of peace-keepers in the region is an effective measure, the diplomat said.

Moldovan Ambassador on New Responsibilities

*PM2907131392 Moscow IZVESTIYA in Russian
29 Jul 92 Morning Edition p 2*

[Aleksandr Lugovskaya report: "Ambassador Luchinskiy's Three Main Aims"]

[Text] The new Moldovan ambassador, Petr Luchinskiy, described 27 July, his first working day, as intensive in a subsequent telephone interview with IZVESTIYA. Over the next few days he plans to meet with the Ukrainian and Romanian ambassadors. At the end of the week his credentials are expected to arrive from Chisinau and he expects to have his next official audience with the head of the Russian state.

The head of the parliament, the prime minister, and deputies had detailed conversations with the new ambassador before he left for Moscow and he was given detailed instructions from Moldovan President M. Snegur. Here is an interesting detail: Chisinau's appointment of the former first secretary of the Moldovan Communist Party Central Committee to a key diplomatic post went amazingly calmly and failed to arouse protests from political circles and objections from official circles. P. Luchinskiy was terse regarding his political convictions: "By law an ambassador should not be a member of any party, although diplomatic life is closely connected with politics and I have to take that into consideration. I would like to stress in this connection that I am a fervent supporter of the law."

During a conversation with your correspondent the Moldovan ambassador singled out the main areas of his state's current political course.

"We must shift the emphasis in our analysis of the conflict in the Dniester Region. It is time to look back and acknowledge that both sides have miscalculated, but we must escape from this situation together. The conflict has been going on for a long time now, yet there has been no change of emphasis. The Russian side's constant statements regarding the need to defend the interests of the Russian-speaking population in Moldova are only prompting confrontation. From the viewpoint of international law we must defend the rights of citizens as a whole and not only on ethnic grounds. We are willing to hold this kind of dialogue. After Presidents Yeltsin and Snegur met on 21 July, the Moscow agreement that they signed carried a note to the effect that in the event of Moldova's being reunited with Romania the peoples of the Dniester Region would be free to choose their destiny."

As for the specific directives that he received from President M. Snegur for the immediate future, P. Luchinskiy singled out three main aims: to secure the Russian parliament's ratification of the bilateral treaty with Moldova, to implement the accord secured by B. Yeltsin and M. Snegur on settling the conflict in the Dniester Region, and economic relations with Russia.

I will not hide the fact that the arrival in Moscow of P. Luchinskiy, a well-known Communist leader, in a new and unusual capacity, tempts us to give our own interpretation of this event in our interstate life. However, I telephoned Chisinau in order to find out the opinion of O. Nantoy, a man familiar with political news, who was until recently in charge of the Moldovan State Chancellery's Political Analysis Service, a former unofficial adviser to President M. Snegur ("for which he was rewarded with a portfolio"), and cochairman of the Moldovan Social Democratic Party.

"Everything depends on your priorities. If you go on the basis of our superficial anticommunism, you can understand the hullabaloo over the Communists' return; then Luchinskiy's new post is the first rung on the ladder for his return to the political heights in Moldova. On the other hand, our republic is now in a tragic situation. The

worsening of this situation threatens us with total chaos. In these conditions it is not that important that Luchinskiy was a member of the CPSU Central Committee Politburo, but it is important that he is a politician by vocation and never seemed to be a party mandarin. It is also important that currently many of his former comrades in arms hold positions in Russian structures."

Moscow Denies Plans To Sell Aircraft to Iran

PM2907135192 Moscow IZVESTIYA in Russian
29 Jul 92 Morning Edition p 3

[Viktor Litovkin report: "Moscow Has Heard Nothing About Selling Aircraft to Iran"]

[Text] Citing Western special services, France's LE MONDE has published an article which says that Russia is holding talks with Iran on the shipment of 110 combat aircraft. They include 12 Tu-22M's, 48 MiG-29's, 24 MiG-31's, 24 MiG-27's, and two Il-76 radar aircraft. LE MONDE claims that this deal is worth \$11 billion.

This report puzzled specialists at the Russian foreign economic association for the export of military output and services (the "Oboroneksport" Foreign Economic Association).

"We have not held such talks with Iran," Major General Sergey Karaoglanov, chairman of "Oboroneksport," told your IZVESTIYA military observer. "We have not offered them these 110 aircraft. Moreover, none of our staffers have given Iran documents containing such propositions."

The general remarked that Russia engages in military-technical cooperation with Iran and supplies it with hardware for the Air Force, the Navy, and the Ground Forces, but is doing this on a long-term basis in accordance with the decisions adopted by the country's government.

However, Sergey Karaoglanov declined to state the size of and products included in our military shipments or the price of the property and combat hardware that we are selling to Iran. He says that all this is a commercial secret and the contracts with this country specially stipulate that this secret must be kept.

"Oboroneksport" complained that military cooperation with Iran is very difficult now. It is hampered by mutual payments arrears. Russia owes its southern neighbor roughly \$600 million (including \$270 million for consumer goods and \$150 million for gas which Iran supplies to Azerbaijan).

Iran owes us roughly the same amount—\$600 million—for deliveries, Oboroneksport" specialists said, of "special property" in 1990-1991 (through 1 January 1992).

The situation is complicated by the fact that, as we have already pointed out, it is not Russia but Azerbaijan that receives natural gas from Iran. The former Soviet republic, now an independent state, which has not, incidentally, officially joined the CIS, has not taken on

that part of Russia's debt. Moreover, gas deliveries are continuing to this day, increasing Russia's debt as the rightful heir of the USSR.

This contradiction, the military said, should be eliminated by the forthcoming visit to Iran of an official Russian delegation led by Petr Aven, minister of foreign economic relations, especially since it is not defense foreign economic associations but trading associations that are in Iran's debt. But it is the military who have no hard currency for settlements with defense complex enterprises.

"Oboroneksport" specialists told me that the article in LE MONDE regarding Russia's "assistance" in rearming Iran and other Arab countries is by no means the only one. It was organized by their competitors. The aim of the article is obvious to the experts: to turn against Russia the public in certain countries with whom we engage in military-technical cooperation and to whom we sell arms, and, if possible, complicate its talks with the Gulf states, prevent it gaining access to the arms markets in this region, or oust it from there.

"But we operate on the arms markets strictly within the framework of the regulations ratified by the United Nations," Maj. Gen. Sergey Karaoglanov claimed, "and we try not to disrupt the balance of forces and not harm the security of third countries. Incidentally, Iran is not on the list of states to which the international community bans arms shipments, and we have the right to trade with it in a wide range of commodities."

Burbulis Gives Documents on CPSU in Prague

LD2907211392 Moscow ITAR-TASS World Service
in Russian 1337 GMT 29 Jul 92

[Text] Moscow, 29 Jul (ITAR-TASS)—Documents concerning "the intervention of the CPSU leadership in the Czechoslovak events of 1968" have been handed over in the Kremlin to Gennadiy Burbulis, state secretary under the Russian president, and Sergey Shakhrai, member of the Russian parliament. Among others, they are representing the interests of the Russian president at the Constitutional Court hearings in progress on the issue of the constitutional nature of the ban on the CPSU and the constitutional nature of the CPSU itself.

According to Rudolf Slanskiy, Czechoslovak ambassador to Moscow, who was taking part in the ceremony of handing over the documents, the very fact "signifies a new phase in cooperation between the democratic forces of Czechoslovakia and Russia." The interest of Vaclav Havel, the country's former president, in supporting the democratic forces at the Constitutional Court hearings is also reported.

As specified by Vaclav Kural, deputy chairman of the commission of Czechoslovak historians, who are engaged on the problems of the country's history over the last few decades, today approximately 60 documents were handed over to representatives of the president of

Russia which, according to him, demonstrate "how the totalitarian regimes of the USSR and the CSSR supported one another." He defined precisely what the documents in question were.

Several weeks ago President Boris Yeltsin handed documents over to Havel relating to the 1968 events. It was reported that the names of the Czechoslovak Communist Party leaders of that time who addressed a request to the leadership of the CPSU for military assistance are cited in them. Of all these figures, only Vasil Bilak is still alive, and the handing over of the documents may cause him to be threatened with judicial proceedings.

Migration Procedures With Lithuania Viewed

PM3007122992 Moscow ROSSIYSKAYA GAZETA
in Russian 29 Jul 92 First Edition p 7

[Yuri Stroganov report under "Migration" rubric: "Migrants Pack Their Bags"]

[Text] Vilnius—As the successor of the USSR, Russia is obliged to compensate Lithuanian citizens who were evicted from the republic's territory from 1940 to 1953 and are now returning to their homeland; this is the demand being put to their Russian colleagues by the Lithuanian delegation on questions of citizens' resettlement. They are drawing up an "Agreement Between the Russian Federation and Lithuanian Republic Governments on the Regulation of Resettling Citizens of the Russian Federation or the Lithuanian Republic and Their Families."

Many Russians in Lithuania have not taken local citizenship and are seeking to return to their homeland. Lithuanians are returning to the land of their ancestors. How is this process to be regulated? After all, a mass of problems arise, connected with moving, changing houses, job placement, transporting property, etc.

Many Russians in Lithuania are worried, for example, by what the charges might be. Property accumulated in the republic can be "halted" by a hefty sum when crossing the border. However, V. Grazulis, chief of the Lithuanian Ministry of Social Protection's Migration Department, has announced that migrants will receive concessions; taxes and duties will not affect them if the property is not brought out in commercial quantities. Russian and Lithuanian customs officers are to determine the amounts and the procedure for removal.

Lithuanian and Russian citizens will be permitted to exchange apartments, but this applies only to exchanges between them. Those who have money deposited need not worry—there will be no problem in transferring them. Only citizens who have state secrets or are under investigation will experience difficulties in moving.

The migration department is already offering its services to those wishing to migrate. A data bank is being set up, the relevant forms are being filled out, and an exchange

of information is being carried out between organizations of the states concerned.

Whereas before national revival began in Lithuania there were considerably more people arriving here than leaving, in 1990, for example, more people left. This year 5,000 more people have left the republic than arrived. Grazulis believes that this is normal. It is a question of voluntary migration. In the changed political and social circumstances people make decisions for themselves.

However, the aforementioned agreement does not regulate the process for the migration of servicemen and their families. Their future is to be determined in other documents connected with the procedures for the withdrawal of troops of the former Soviet Army, which has been transferred to Russia's jurisdiction.

Polish Press Coverage of Russian Pullout Viewed

PM2907123592 Moscow KRASNAYA ZVEZDA
in Russian 28 Jul 92 p 2

[Interview with Colonel General Leonid Kovalev, government agent dealing with Russian forces in Poland, by Lieutenant Colonel Aleksandr Bugay: "Colonel General Leonid Kovalev: Common Sense Must Prevail Over Intrigue"]

[Text] Lately the Polish media have been harping on the issue of the withdrawal of Russian forces from the territory of Poland. The tone of the vast majority of newspaper pieces is clearly inimical toward the actions of the Northern Group of Forces command. As a rule, they make unfounded charges against the Russian side of destroying and plundering facilities that are to be handed over and of trading illegally in movable property.

Colonel General L. Kovalev, Russian Federation Government agent handling the affairs of Russian forces in Poland, comments on the propaganda campaign in Poland in a conversation with our correspondent.

[Bugay] Comrade commander, first of all I would like to hear to what extent the schedule for the withdrawal of units and subunits from Poland is being observed.

[Kovalev] The withdrawal is going according to plan. The Russian forces are being moved out of Poland on schedule. We have withdrawn more than 45,000 personnel, 453 tanks, and 953 armored fighting vehicles and brought out all the heavy artillery and antiaircraft missile installations. Practically all the aircraft have left Poland. Four helicopters and 13 transport aircraft remain in the Northern Group of Forces to preserve the viability of the group's forces.

We provide Polish officials with regular and prompt information on servicemen and equipment that are being withdrawn, which makes it all the more hurtful to read in Polish papers distorted information on the rate of withdrawal of Russian forces.

[Bugay] Leonid Illarionovich, the Polish press has lately been accusing the Northern Group of Forces command of violating accords reached at intergovernmental level on a range of questions connected with the withdrawal of Russian forces; in particular it is charged with carrying out an illegal, dutyfree trade in Russian Army property. What have you to say on this score?

[Kovalev] Let us see. First of all let us compare the way the Russian Army sells real estate in Germany with the way this is done in Poland. You would think there would be no particular difference, but look at how civilized it is on German soil; it is carried out on the basis of mutual understanding, mutual benefit, and goodwill. The Germans never raised the question whether or not the Russian Army is entitled to sell its own property. The only condition was that German legislation should be observed. As far as the Northern Group of Forces is concerned, the spurious problem whether or not we can trade our own property has been discussed at talks at various levels over many years. Until recently we were totally prohibited from selling anything on Polish territory.

On 20 May the Polish Government's agent dealing with the affairs of Russian Federation forces in Poland and the commander of the Northern Group of Forces signed and exchanged letters on the procedure for the sale of movable property on a contract and noncontract basis.

Because there was no decision by General Zdzislaw Ostrowski's department, the sale of our property was delayed. The Polish media started to heat up the atmosphere surrounding what is, I emphasize, our movable property. Moreover, police pickets were stationed around some military units.

I received a letter from Mr. [Gospodin] General Ostrowski, signed 7 July 1992, in which, despite the accord that already existed, he "allows a range of Russia's movable property to be sold on the Polish market" and in so doing reminds us that we are supposed to adhere to jointly defined principles, which he considers it necessary to enumerate once again. The secret is that the "principles" he enumerates are not "jointly defined." At best, they are yet to be defined. So the 7 July letter should be regarded as a unilateral attempt by the Polish side to establish a new procedure for the sale of movable property that nullifies the earlier accords.

We do not agree with that viewpoint. In our opinion, the procedure for the sale of movable property is laid down quite clearly and specifically in the letters that were exchanged. The new property sale procedure that was offered to us will complicate matters, make the movable property sale process chaotic, and could ultimately disrupt the schedule for the transfer of facilities to the Polish side.

I believe that as problems connected with the sale of property arise, it is necessary, in each specific case, to sit down and hold talks. But we are not getting a dialogue with the Polish side at the moment. Often they simply say: It cannot be sold. Why? No explanation given.

Our opponents must realize that Russia will not throw away its own property. Even if we do not reach an understanding, we will urgently remove all that belongs to us, and all it will mean will be a tight schedule for the withdrawal of Northern Group of Forces units.

The next problem is that hitherto we and the Polish side have had different ideas about what movable property is. The different interpretations of this term have given rise to conflict situations. A year ago, at the Polish side's request, two aviation regiments were moved from Brzeg to Krzywa airfield. Carrying out this pretty major relocation cost us a great deal in material and financial terms. In particular, concrete flags had to be laid on the earth to provide extra flight line parking space. Naturally, when preparations were being made to withdraw the regiments to Russia the flags were lifted and stacked up. I would emphasize that these measures were carried out before the Moscow accords were signed. Moreover, the new flight line parking spaces were not logged in the airfield maintenance record. Now the Polish side is trying to accuse us of destroying the airfield in Krzywa.

[Bugay] Comrade commander, what do you think is the way out of the present situation?

[Kovalev] Let us return to the documents signed in Moscow. Let us look at the protocol on the settlement of property, financial, and other problems. I am referring to Article 7. In its final version the gist is as follows: Poland and Russia will aim to develop cooperation and will conduct a quest for cooperation. To that end there was provision for the creation of a joint Russian-Polish commission.

The withdrawal of our forces is proceeding rapidly, but the commission, which could deal swiftly with any disputes that might arise, in particular in the matter of the sale of property, has still not been set up. Incidentally, our side has done all the preparatory work: A list of names is already being considered by the Russian Federation Government.

[Bugay] Leonid Illarionovich, to my knowledge there is an accord to the effect that this commission will also contribute to the establishment of Russian-Polish joint ventures, some of whose profits are to be used to set up the forces that are being withdrawn to Russia.

[Kovalev] Yes there was such an accord, but during the working meetings Mr. General Ostrowski repeatedly said that the Polish side would hardly agree to the establishment of joint ventures. The Poles explain their position via the media, saying that the Russian Army is allegedly trying to establish a foothold in Poland through the establishment of joint ventures.

I have met with many Polish business people. The interesting thing is that as soon as we get away from politics and start speaking the language of figures it becomes clear that this kind of economic cooperation would benefit both Russia and Poland.

One would like to believe that despite the delay, our joint work will eventually bear substantial economic fruit. We have facilities that could provide a basis for joint ventures' activities and help replenish the Polish coffers and provide Poland with new jobs. Common sense must prevail over political intrigue.

The Russian and Polish publics must know that we are leaving the country, but we want people to have good memories of us. We favor an honest, open dialogue when tackling any problems that might arise.

Timing of Rutskoy's Portugal Visit 'Unfortunate'

MK2907135092 Moscow NEZAVISIMAYA GAZETA
in Russian 29 Jul 92 p 4

[Aleksandr Zditovetskiy report under "Visit" rubric: "From Spain to Portugal and Back. Thirty-Three Heroes Headed by Russian Vice President Land on Lusitanian Shore"]

[Text] Lisbon—To start with Moscow television, citing ITAR-TASS, gave information that the Russian vice president was in Barcelona—capital of the XXV Olympiad. Then, quoting RIA, it clarified that he had set off on a working trip to the Iberian peninsula. Actually, it was last Saturday [25 July] that Aleksandr Rutskoy, like the "Black Sea uncle" of legend, landed at Lisbon Airport at the head of a 33-member delegation.

The vice president energetically greeted the few embassy and trade mission staffers who had come to meet him and readily answered local correspondents' questions.

He stressed the identified potential for expanding trade and economic cooperation and relations in the spheres of science, culture, and medicine. According to A. Rutskoy, the aim of his mission to Lisbon is to "forward Russian-Portuguese relations and cooperation."

It should be recognized, however, that the time chosen to achieve this aim was extremely unfortunate. The Portuguese parliament has already broken up for the holidays. Most members of the Cabinet of Ministers are on leave. Prime Minister Cavaco Silva has departed for neighboring Spain for an entire week (an Iberian-U.S. summit was being held in Madrid, while the Olympic Games opened in Barcelona). Republic President Mario Soares is ill.

Evidently that is why the vice president's first meeting was not with the Portuguese but with staffers of Russian organizations in Lisbon. Delegation members appeared at the meeting dressed "informally." Petr Aven, wearing jeans, could quite easily have been taken for an official of a completely different rank. Aleksandr Rutskoy did not conceal his excellent mood and immediately set out his credo: "Liberal reforms and strong authority." Criticizing both the government and the opposition, he said that "the country is now experiencing a situation largely similar to the situation in 1913-1914." Like then, the implementation of reforms is being hindered by left- and

right-wing radicals, and if they succeed "a revolution could occur," with all its consequences.

Having stated that "there is a complete absence of authority in Russia and nothing is getting done," the vice president frankly set out the lamentable data on the country's economic situation and gave his viewpoint on aid: "Nobody—neither the IMF or Bush—is going to give us anything." Humanitarian aid and the IMF will not help us; it will just turn Russia into a bantustan." Meanwhile Rutskoy is convinced that "Russia has everything necessary to get out of this situation, although," in his opinion, "high-ranking leaders believe that it should be a 'doormat' [podstilka] rather than a great power."

Those attending listened to these comments in silence. From time to time Nikolay Ryabov allowed himself to add something or make a comment, while Zurab Tsereteli frequently and approvingly nodded his head.

The next day, precisely on schedule and without the slightest delay "for a smoke break," the delegation left the capital's Sheraton Hotel and flew to the north of the country. The delegation met with representatives of the local industrialists' association in the city of Oporto. Aleksandr Rutskoy invited the Portuguese entrepreneurs to cooperate more actively with Russia, especially in the agro-industrial sector. However, the expansion of cooperation is hitting one serious serious snag: Russia's indebtedness for deliveries of Portuguese goods, mainly footwear and textile articles, totals \$18 million. Not a very big debt to not a very big country.

Answering local journalists' question on the payment of this debt, Rutskoy said that "there is a real possibility of paying it off," since "it is an insignificant sum." In Russian terms that is indeed so. But because of the delay in making payments for deliveries last year, several small and medium-sized firms went bankrupt. In order to get the question of continuing cooperation moving from this standstill, the Russian Government will have to urgently find the money to repay at least part of the debts.

On Monday [27 July] the Russian vice president spent the entire afternoon at the institute for small and medium-sized enterprises and at the Ministry of Agriculture. On Tuesday the Russian vice president was received by Prime Minister Cavaco Silva, who had completed his visit to the neighboring country. The entire Russian delegation returned to Spain in the afternoon.

Cuban Ambassador To Moscow Gives Address

PY2907154092 Moscow Radio Moscow in Spanish to Latin America 2300 GMT 26 Jul 92

[Address by Cuban Ambassador to Russia Jose Ramon Balaguer Cabrera on the occasion of the 39th anniversary of Fidel Castro's 26 July 1953 attack on the Moncada barracks in Santiago de Cuba; place and date not given—recorded]

[Text] We are very happy to be celebrating another anniversary of the events which took place on 26 July. This date marked the beginning of a historic moment for our country, for all our people, for us, the revolutionaries [words indistinct] permanently. Today, 39 years later, the revolutionary spirit, the spirit that prevailed on that day among [words indistinct] of this great nation still prevails. The spirit of our people remains unchanged at a time of great difficulties and problems with the changes that are taking place throughout the world, the collapse of the socialist world, the developments in Eastern Europe and in the former USSR, the current economic difficulties—that is, the current international economic situation, the almost hegemonic concentration of great power in the United States, which plans to strengthen its power even more [words indistinct] the U.S. policy for Cuba makes it possible, the strengthening of the U.S. economic blockade with the purpose of making it even more harmful, more inhuman. In addition to all this, there are difficulties in Cuba's economic relations with Russia and the remaining CIS member countries.

In the midst of the great economic difficulties, worsened by the almost complete cut in our oil supply, which at one time amounted to approximately 13 million tonnes, our country has been forced to make great efforts. These difficulties have resulted in closing factories, have demanded the implementation of measures that require greater sacrifices from the people, and have forced us to reduce our electricity consumption. Despite these difficulties, however, our people continue to struggle. They are devoted to our nutrition program, in which we have great confidence and hope. Most of our people, mainly the farmers, young people, and men and women of all ages, are contributing to overcome these difficult times, and the results of these efforts are beginning to show.

In the economic field we have adopted all the necessary measures to exploit our potential, to spare as many resources as possible. We must also recall that the price of sugar, one of the few resources we still have on hand, has dropped almost 60 percent on the international market and that our purchasing power has dropped thousands and thousands of dollars, that we [word indistinct] trade with the USSR, but despite all this we continue our struggle with great optimism.

In other words, in the economic field we have adopted measures which we consider [word indistinct] and practical. These measures by no means violate the principles upholding our development of socialism and help solve the problems and basic needs of our entire country, not of just one sector. We are not just solving the problems of a small sector of wealthy people and millionaires but of the entire country, the problems of the most humble and ordinary people and of those more capable and holding the highest posts. These principles have never [words indistinct] because they are the basic principles of our revolution, of our theory, and are even the ideals of our forefathers, such as Marti and others who died for an independence we were unable to attain in 1902, but were able to on 1 January 1959.

In the economic field we have also implemented measures that will, in an intelligent and flexible manner, attune us to the world in which we live; that is, a world which develops through foreign trade within the framework of a market economy and capitalism. We are fully aware of this; we are not blind. We have implemented practical measures.

Now that the antisocialist and anticommunist stance gains force throughout the world, now that many—and the United States itself—maintain that Cuba is alone and isolated, we feel more certain than ever about our actions. This isolation is the isolation of the government and its structure, but the people, even those who suffer hunger and misery in the developed countries, and scientists, professionals, and the people of those nations will not neglect nor isolate us.

There are a lot of movements in support of Cuba because the people know that Cuba is a symbol, a model of dignity and respect, and that it is a small country, subject to such an inhuman (?blockade), but remains on its feet and spares no effort to defend itself at any international forum, as Fidel did in Brazil and before the United Nations, and as our leaders have done at each and every international forum they have addressed.

Whenever we are threatened with reprisals because of our stance, we uphold our principles to defend the needy, to defend the countries that suffer hunger and misery, to say the truth, and to pinpoint those who are responsible for the hunger and misery that exists in many countries of the world.

As any other country in the world, our society is made up by men who may make mistakes. We make and have made mistakes in various circumstances and (?often).

One thing which nobody can doubt and which all honest men in the world must recognize is that Cuba is a country of principles, has never betrayed its interests nor the interests of the humble throughout the world, and has always upheld an honest, clear, sincere, and brave stance, always strongly respecting those people in the world who truly deserve to be respected. Our people are good friends, true friends. Fidel is a friend, a sincere friend of friends, but in the same way, with the same energy and the same intensity, he is capable of [word indistinct] the enemies that intend to do away with our independence, to do away with our [word indistinct]. Those who mistakenly judge and assess the Cuban problem should understand that when we talk about defending the dignity and respect of the people which was won on 1 January 1959, we are not talking about the personal and individual criteria of the country's leadership, but about the people's feelings. These are the people's feelings, and this is why they are willing to fight, willing to struggle, and are determined not to let anybody steal that sovereignty and independence which to us means socialism.

I think that what we have done and achieved in Cuba in all fields owes thanks to the people because these

achievements have the essence of socialism—of a concrete, specific socialism, such as the one we have developed, with all our shortcomings, with our creativity, education, and probably wrongly adopting some concepts. However, the basic grounds for the development of the system are based on our own experience, on our own mistakes, on our own assessment of our own history—the period of our history prior to our fake independence from Spanish colonialism in 1902—and on our independence declared on 1 January, which we did not obtain because the United States practically owned Cuba. [sentence as heard] This is something for which they will never forgive us.

This is why, on the anniversary of the 26 July events, we feel optimistic and confident, and I reiterate that the spirit that inspired those men headed by Comrade Fidel on 26 July 1953 is the same spirit the prevails now.

French Officials on Space Cooperation

PM3007093192 Moscow IZVESTIYA in Russian
29 Jul 92 Morning Edition p 2

[Aleksey Portanskiy report: "French Minister Believes in High Standard of Russian Science"]

[Text] H. Curien, French minister of research, technology, and space, who attended the launch of the joint flight, then came to Moscow from Baykonur to sign a government agreement on scientific cooperation with his Russian counterpart, Science Minister B. Saltykov.

Russian economic reforms have put national science and research in a difficult position. However, there is still interest abroad in Russian scientific potential.

This interest is by no means confined to enticing experienced specialists to the West as we sometimes think. The Russian-French space flight at this time is concrete evidence of this.

Space cooperation with Russia is also an important factor in French politics.

It is implementing a broad international cooperation program in space, Mr. Curien told your correspondent. Above all it is taking an active part in the activity of the European Space Agency. What is more, France is actively cooperating with the United States and the countries of the former Union and striving to maintain balance here. Space research can be a magnificent means of reaching international accord. That is the premise on which France is acting.

The French are investing material funds in joint research with Russia. J. Lions, president of France's National Center for Space Studies, stressed during a brief conversation with me. Work on such a major project as "Mars-94" is continuing, in particular. Needless to say, there are some difficulties now with cooperation due to the implementation of economic reforms in Russia, but they are all temporary and can be overcome. "I have met all

my colleagues here, in addition to Sagdeyev," Mr. Lions said, "and many of those who went to the West are already returning. One must not forget the countless students in Moscow and St. Petersburg. Thus, we believe in the continuing high standard of science in Russia."

ASEAN To Offer 'Partner in Dialogue' Status

MK3007070792 Moscow MOSKOVSKIYE NOVOSTI
in Russian No. 31, 2 Aug 92 p 12

[Sergey Strokan report: "Moscow Looks East"]

[Excerpt] Petropavlovsk-Kamchatskiy-Manila-Krasnoyarsk-Moscow—[passage omitted] This year Russia was invited for the first time to the annual conference of ASEAN foreign ministers. Russian Foreign Minister Andrey Kozyrev met in Manila with ministers from the Asian "Six" under the traditional ASEAN "one plus six" formula. In his speech to them he observed that, in seeking dialog with the Southeast Asian countries, Moscow is ready to observe their playing rules.

"This is a good beginning," Philippine Foreign Minister and ASEAN standing committee chairman Raul Manglapus said when I asked him to comment on Andrey Kozyrev's speech. He observed that the ASEAN countries have long wanted to break out of the regional framework, and collaboration with powers like Russia will allow ASEAN to get a "second wind." In the minister's opinion, Russia's relations with the "six" could acquire official status. Later the minister's aide, Romualdo Ong, explained this idea as follows: In the future Russia could be granted the status of "partner in dialogue"—the highest for a non-ASEAN country. Those currently enjoying this status are the United States, Japan, South Korea, the EEC, and Australia.

Regional security problems occupied a key place in the Manila conference. The ASEAN countries fear that as the United States withdraws from the region, a "power vacuum" could develop there which other regional powers will want to fill. Most of all they fear the Chinese and not just because they support the Khmer Rouge fighters in Cambodia and the New People's Army in the Philippines. China has long laid claim to the Spratly islands in the South China Sea, which are also claimed by Vietnam, the Philippines, Malaysia, Taiwan, and Brunei. In 1988 China ousted

Vietnam from one of the islands using military force. So the Spratlys problem was a particularly acute topic at the conference. However, Chinese Foreign Minister Qian Qichen relieved the tension somewhat by stating that China has no intention of asserting its dominance in the region. He also advocated resolving the Spratlys problem through talks involving all interested sides and, if these prove unsuccessful, starting joint economic exploitation of the islands.

The Spratlys problem finds an echo in the "northern territories" question because the idea of joint utilization of disputed islands, which the all Manila meeting participants recognized as a sensible one, is essentially very close to what we are offering the Japanese in the South Kurils.

"We came to Manila not just for the sake of dialog with ASEAN. Conferences like this are a convenient form for holding contacts with other partners in the Asia-Pacific region," Andrey Kozyrev said in answer to my question about the outcome of the meeting. Within the framework of the official program in Manila he had important meetings with the foreign ministers of China and Vietnam. With the Chinese minister Kozyrev discussed Boris Yeltsin's upcoming visit to Beijing at the end of the year. The sides found mutual understanding on the question of the Russo-Chinese border and expressed support for the idea of a zone of peace, freedom, and neutrality in Southeast Asia. True, they differed in their appraisals of the Cambodian problem. Kozyrev's meeting with Vietnamese Foreign Minister Nguyen Manh Cam marked a renewal of bilateral contacts after Moscow-Hanoi relations had reached their lowest point in their entire history in recent years. The Russian minister received an invitation to visit Vietnam before the end of this year.

New Checkpoint Established on PRC Border

LD2907193192 Moscow Programma Radio Odin
Network in Russian 1500 GMT 29 Jul 92

[Text] A new checkpoint, Turly Rog, will be opened on the Russian-Chinese border. An ITAR-TASS correspondent was told today at a Russian Federation Government office that a decision has been made. It is planned shortly to commence construction of a range of residential and official premises and of individual checkpoints. Once work has been completed, two-way passenger and freight motor vehicle traffic will flow through Turly Rog.

Political Issues

'Informed Sources' Expect Minister's Departure

MK2907130092 Moscow MOSKOVSKIYE NOVOSTI
in Russian No 31, 2 Aug 92 p 2

[Unattributed report: "Retirement"]

[Text] The departure of Fedor Shelov-Kovedyayev from the post of first deputy foreign minister is practically decided.

This is what informed sources in the Russian Government assert. This is a rare case of long-standing rumors proving true. For the past six months he has endured with enviable constancy the top Russian leadership's severe criticism for clumsiness in contacts with the new foreign countries. Moreover, "furious Fedor," as his colleagues have nicknamed him, has even tried to "torpedo" his chief, [Russian Foreign Minister] Andrey Kozyrev, in a bid, so it is said at the Foreign Ministry, for the latter's job.

The native Muscovite from Sokolniki is a longtime protégé of Galina Starovoytova. As he himself says, "my forebears served Russia loyally and truthfully for several hundred years." A specialist in ancient Greek verse inscriptions and an expert on the tyrannies of antiquity, he resolved to follow their example: In parliament he was the initiator of the move to rename the RSFSR the Russian Federation, and he wrote (very professionally) the section on the federative structure for the "Rumyantsev" constitution.

When he returns from vacation, it looks like Shelov-Kovedyayev will be sent to one of Russia's embassies, where his constant "butterfly" [babochka] will finally come to look as irrelevant as can be.

Rutskoy Not 'To Compete With Boris Yeltsin'

MK3007134092 Moscow NEZAVISIMAYA GAZETA
in Russian 30 Jul 92 p 2

[Aleksandr Zditovetskiy report under "Authority" rubric: "Vice President Gets On 'Well at All Levels' With Russian President. Aleksandr Rutskoy States That He Does Not Intend To Compete With Boris Yeltsin"]

[Text] Lisbon—Responding to a NEZAVISIMAYA GAZETA correspondent's request to comment on the results of an all-Russia poll held in July by the Russian Supreme Soviet Subcommittee for the Study of Public Opinion jointly with the Cultural Foundation's Center for Social Research, the Russian vice president said:

"If you look at my secretariat, it does not have a department or even a press group to study questions regarding my popularity. It is hard to give an assessment or draw any kind of conclusions about oneself. I cannot say about my relationship with the president. That would be too modest with respect to my part. I get on well with the Russian president on all levels. Whatever

happens—and we do have moments of misunderstanding—I treat Yeltsin with sincere respect and sympathy.

"I have formed the Civic Union jointly with Arkadiy Volskiy and Nikolay Travkin. It is a bloc that backs the reforms. The Civic Union's aims are support for the president and specific matters in the sphere of reforms. The wording 'Civic Union' was actually mine. I am a supporter of liberal reforms and strong authority. I am convinced that no reforms will proceed, especially in Russia, unless there is strong authority. Unless there is a high degree of responsibility for the delegated workload, a high degree of assiduousness. The people like this, and they support it. But I, honestly and frankly speaking, do not intend to compete with the president in popularity.

"Recently the government and I have increasingly been finding a common language. Petr Aven is accompanying me on my trip to Portugal. In four days of work no misunderstandings have arisen between us. The same can also be said in relation to Nikolay Ryabov, deputy chairman of the Russian Federation Supreme Soviet.

"It can be concluded from the poll results that the number of supporters of centrist positions—for reforms and in support of the president—is getting bigger and bigger. Increasingly the people will not accept those leaders who take extreme right-wing or extreme left-wing positions. The poll figures indicate that people support ideas and activity geared toward positive decisions."

Burbulis on Shortcomings in Democratic Movement

LD2907203592 Moscow Radio Rossii Network
in Russian 1600 GMT 29 Jul 92

[Text] Gennadiy Burbulis, state secretary under the Russian president, gave an interview to correspondents of a number of newspapers in the lobby of the Constitutional Court today. Replying to a journalist's question about what the democrats did not manage to do during the period since last August, Gennadiy Burbulis said: The democratic movement has failed to prepare its replacement [vtoroy eshelon], the people who see their destiny in carrying out reforms locally and in mobilizing society for support and practical participation in implementing the reforms. This shortcoming, Gennadiy Burbulis continued, is ostensibly compensated by a new round of activities. However, individual political groupings, declaring their adherence to the reforms, brought a completely different meaning to this notion. That is why a dialogue between all involved parties is absolutely necessary at present, the state secretary stressed.

Borovoy on 'Constructive Forces' Aims

OW2907211992 Moscow INTERFAX in English
1928 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] The founders of the Council of Constructive Forces set up in Moscow today July 29 said at a press

conference that the council would give its members a chance to start a "civilized dialogue" with each other, as well as with the government, parliament, and president in order to achieve peace and stability in Russian society. The founders include members of the Party of Economic Freedom, the Renovation Union, and the Constitutional Democratic Party.

Konstantin Borovoy, acting chairperson of the council and leader of the Party of Economic Freedom, stressed the need for coordination among the parties, public movements, and trade unions forming the center of the "spectrum of political forces" in view of the danger that events might take an "unconstructive" course.

Borovoy told our correspondent that the council was not going to propose any economic program alternative to the government since there could be no unanimity among its members except on secondary matters.

Opposition Protests 'Witch-Hunt' Campaign

LD3007110992 Moscow *ITAR-TASS in English*
1708 GMT 29 Jul 92

[By *ITAR-TASS* correspondent Igor Gvritshviliy]

[Text] Moscow July 29 TASS—Leaders of the Russian National Convention have accused President Boris Yeltsin of launching a witch-hunt campaign against opposition. At a news conference on Wednesday [29 July] they described Yeltsin's attempts to institute legal proceedings against opposition leaders Aleksandr Sterligov and Viktor Anpilov as unconstitutional and groundless.

One of the leaders of the Russian National Convention, former KGB General Aleksandr Sterligov, told journalists that he had never called people to topple Yeltsin as "the present government will collapse due to its irresponsible social and economic policy without any outside interference."

The Russian National Convention will not take part in and prevent people from any spontaneous social outbursts which are likely to happen this autumn as they will lead to chaos in the Russian state, Sterligov added.

May Take Action Against Yeltsin

OW2907200492 Moscow *INTERFAX in English*
1928 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] Aleksandr Sterligov, leader of the Russian National Assembly, stated that his organization will take action against President Yeltsin of Russia if the latter is unable to prove that at the time he instituted criminal proceedings against Sterligov and Viktor Anpilov such proceedings were already in process. In this case, the president's statement can be viewed as an attempt to pressure the judicial organs, according to Sterligov. "Let Yeltsin explain precisely on what basis and on which articles of the Criminal Codes the charges were made,"

said the leader of the national patriotic movement in a Moscow press conference on Wednesday [29 July].

During last week's visit to Omsk, Yeltsin said that criminal proceedings had begun against Sterligov and a leader of the Russian Communist Workers Party [RKRP] by the name of Anpilov. He stressed that calls to overthrow a popularly elected and therefore legal government could not be left unanswered.

The National Assembly's leaders allege that though in power for less than one and a half years, Yeltsin and his team have committed over 50 infractions of the law and the Constitution. Therefore the president has no grounds to speak about infractions of law made by Sterligov and Anpilov.

At the same time, in reply to an *INTERFAX* correspondent, Sterligov said that claims that events at Ostankino (the picketing of the television centre by supporters of "Trudovaya Rossiya" and RKRP) were linked to calls to overthrow the government were unfounded.

"Hysteria and the extreme demands of the picketers made our participation in this protest impossible," said Sterligov.

Communist Decries Those 'Selling Off' USSR

LD2907173192 Moscow *Russian Television Network in Russian* 1600 GMT 29 Jul 92

[Report by Ye. Revelskaya from Moscow, including recorded remarks by Druzin, not further identified—from the "Vesti" newscast]

[Text] [Video shows four men seated in a large office with a portrait of Lenin hanging above the table at which they are seated, with the press seated opposite] The CPSU Central Committee Secretariat elected at the Party's 29th Congress today announced that the Party is actively resuming its foreign policy activities—this time in the guise of the All-Russian Committee for the Defense of the Kurils. This grandly named All-Russian Committee claims the support of the masses, all the readers of *NARODNAYA GAZETA*, and patriotic forces.

Comrade Druzin was the last of the representatives to speak, but for some reason he started speaking about resurrecting the former glory of the CPSU, the bloc of Communists, and those without any party affiliations, and then in the name of the working class he called for all those selling off the territory of the Soviet Union to be condemned.

[Druzin] Believe me, this is how working people think, and a large proportion of the masses, with only a few exceptions, are unaware of the situation.

Conference Discusses Party Revival

LD2807171392 Moscow *ITAR-TASS World Service in Russian* 1453 GMT 28 Jul 92

[By *ITAR-TASS* correspondent Lyudmila Aleksandrova]

[Text] Moscow, 28 Jul—The latest "Communist event" has been taking place in Moscow in recent days. An ITAR-TASS correspondent was told today by Sergey Chernyakhovskiy, member of the Moscow City Committee of the CPSU and a deputy of the Sverdlovskiy Rayon Soviet, that "at the initiative of the Moscow Communists' Information Bureau, a conference has taken place of members of the Moscow City Committee of the CPSU." Taking part in it were approximately 20 former secretaries of CPSU rayon committees as well as representatives of the Union of Communists, the Russian Communist Workers' Party, and the Bolshevik Platform in the CPSU.

The conference participants see the CPSU as "a party standing up for the restoration of a unified Soviet Union and for its development along a socialist path, and as a party which has unambiguously broken with the heritage of Gorbachevism." The conference has set its next task as the restoration of the Moscow party organizations, the registration of Communists, and preparation for the "20th All-Union Party Conference." The conference has instructed the rayon committees of the CPSU to resume their activity, to restore links with primary party organizations, and to begin the collection of membership fees.

The conference has given its complete support to the "plenum of the CPSU Central Committee," which was held in June this year at the initiative of Aleksey Prigarin, leader of the Union of Communists. On the other hand, the "renewed CPSU," which was reconstituted at the "29th Congress" in the town of Pushkino, Moscow Oblast, by an initiating group headed by Sergey Skvortsov, does not have the support of representatives of the Moscow city CPSU organization, according to Sergey Chernyakhovskiy.

Media Issues

Journalist Victor Louis' Obituary Published

MK3007072092 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 31, 2 Aug 92 (Signed to Press 28 Jul) p 3

[Gennadiy Zhavoronkov "Obituary": "An Inscrutable Enigma"]

[Text] The BBC reports that one of the journalists of the cold war period best known in the West has died in London, aged 64. Victor Louis was the only Soviet citizen working as a Western correspondent in the USSR. The Kremlin used him as a channel in order to supply the West with necessary information.

Victor Louis is dead. Only a year ago I was asking him on the telephone who he really was. He laughed and suggested that I guess. I tried to and wrote an article in which I called him an honest chekist smuggler. He was indignant and promised to get his revenge. But he never did.

Many people whose lives he upset are no longer alive. Sakharov, for example, who did not get to take Louis to court for secretly filming his life in Gorkiy. But some are still alive. A certain Yuliya Nikolayevna, a translator at the French Embassy in the forties. She spent 10 years in Stalin's camps because of Louis' denunciation. She remembers Victor as just a boy, working as a courier at various embassies. At that time that meant one thing—working for the NKVD. And he did work. Whether for romantic or ideological reasons, God only knows. While displeasing the bosses in some ways, Louis made career progress. And he later proved useful to his people. Then there was his marriage to an Englishwoman, which shocked the authorities. There was the Moscow salon, where all the intelligentsia used to gather. The publication in the West of Alliluyeva's and Khrushchev's memoirs...

He was a gambler, and undoubtedly a talented gambler. He even played cat and mouse with death, accepting a liver and kidney transplant operation and laughingly saying that one-third of him was now a subject of another state. He certainly considered himself a useful man. But to whom? The government, the KGB, intelligence? Not to us. He did nothing useful for us.

It is still not known where he will be buried. If it is in Moscow, many of the capital's notables who frequented his salon should come to his funeral. If only for the sake of paying their respects to him and to their own youth.

Will they come? We will see.

Editors Send Letter to Yeltsin for Support

PM2907134392 Moscow KRASNAYA ZVEZDA in Russian 28 Jul 92 p 1

[ITAR-TASS report: "Open Letter to the President"]

[Text] Moscow, 27 Jul—The chief editors of specialist newspapers have sent an open letter to the Russian president containing a request for support.

The chief editors of MEDITSINSKAYA GAZETA, UCHITELSKAYA GAZETA, SELSKAYA ZHIZN, LESNAYA PROMYSHLENNOST, TORGOVAYA GAZETA, and VOZDUSHNYY TRANSPORT announce that they have formed a "Committee To Protect the Specialist Press" and they propose that the presidents and governments of the independent states of the Commonwealth take steps to create conditions for the survival of the press. They include recognizing all specialist newspapers as independent international publications, the establishment of a 50-percent state subsidy to compensate for expenditure associated with the publication and distribution of the newspapers, and the elaboration of an interstate program to support specialist media.

Agricultural Issues

Paper Carries Roundup of Agricultural News

PM2407111792 Moscow KOMSOMOLSKAYA
PRAVDA in Russian 23 Jul 92 p 1

[Report compiled by Ye. Arakelyan under the "Grain News" rubric: "We Will Not Starve to Death, But We Will Turn Out Our Pockets"]

[Text] Peasant pickets will be posted outside administrative buildings in oblast, kray, and republic centers 5 August. They will stand there for just one day, which has been named Peasant Unity Day. For the time being peasant strike committees will limit themselves to this. The harvest must be gathered in. The coordination council that has been set up to unite the activity of rural strike committees from different regions made special mention of this in its statement.

Admittedly, the coordination council has appealed to agricultural producers not to sell grain until the state settles all its debts for the last three years. There are plenty of these, including \$19 million that have not been paid for 1990 grain, the "Harvest-90" checks, and the preferential credits and subsidies that have already been promised this year. The General Agreement on the Mutual Obligations of the Russian Federation Government, the Agrarian Union, and the Council of Kolkhozes is also not being complied with.

On the whole it is simply not profitable to ship grain out. Grain purchase prices are such that there is no chance of offsetting the costs incurred in more expensive technology, fuel, and fertilizer.

But the government is unable to increase the price of grain in proportion to the increase in the price of industrial products—it would be swept away by absolutely furious fellow citizens. Because in this event a considerable proportion of the population would be unable to afford food. For example, if there were an increase in grain purchase prices to 15,000-17,000 rubles [R] per tonne, which is what most farms are demanding, a kilogram of bread would cost over R50, and a kilogram of meat over R300. And the government cannot subsidize state purchases on such a scale.

The rate of grain sales to the state in South Kazakhstan Oblast has increased markedly, KAZ TAG reports.

First-grade durum wheat is accepted at R10,000 per tonne, second-grade at R9,500, and third-grade at R8,800. But as soon as the sale is completed there is a further 10-percent payment for grain that has already been surrendered. On top of this price there is an adjustment for surrendered wheat, barley, rice, or buckwheat taking into account the actual sale prices that apply if the produce is sold outside the borders of the republic. This has been the practice in all harvest years. These incentives work.

Moscow Oblast deputies have demanded that the Russian Government exempt farmers from paying taxes on foodstuffs, arrange a state subsidy for material and technical resources, and allocate preferential credits.

The poultry stock in the oblast has already been reduced by 20 percent, milk production is down 26 percent, meat by 10 percent, and eggs by 10 percent.

A daily ration of 450 grams per head is being sold by coupons in Tula Oblast's Zaokskiy Rayon. This strict quota system is intended to protect the interests of the inhabitants of the rayon, where the population increases fourfold or fivefold during the summer owing to the influx of dacha owners—mainly Muscovites.

A loaf of bread is now the most sought after item in the rayon's dacha estate and villages. Things have reached the stage where a group of foreigners who arrived at Zaokskoye Seventh-Day Adventist spiritual center were left once without this staple food at suppertime. The local authorities have on several occasions tried to secure an increase in deliveries of bread and other products for the dacha season. However, the oblast cannot help the rayon in any way since the oblast itself is half-starving.

Harvest Two Weeks Behind Schedule

OW2907181092 Moscow INTERFAX in English
1704 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] This year's harvesting of crops in Russia is two weeks later than usual. According to a report from the State Statistical Committee, 39.5 mn tons [million tonnes] of grain had already been harvested by this time last year. So far this year, 13.5 mn tons have been harvested - a third as much.

By the end of July the harvesting of grain is usually completed in the Northern Caucasus; now, grain has only been gathered from half the fields. Rosgidromet (the Russian Meteorological Committee) told INTERFAX that at first, harvesting work in the south was hampered by strong rains in the end of June and the beginning of July which slowed the grain ripening process. In addition, approximately half of all fields were laid by hail and rainstorms.

According to information from the State Statistical Committee, grain was harvested from 6.7 mn hectares at the beginning of the week in Russia - that is, from 12% of crops. At this time last year grain had been harvested from 20.1 mn hectares.

'Favorable Outcome' Projected for Harvest

PM2907133192 Moscow ROSSIYSKAYA GAZETA
in Russian 29 Jul 92 First Edition p 1

[Roundup of unattributed reports under the rubric "Harvest Toil": "Do Not Count the Grain Before It Is Threshed"]

[Text] Grain has begun to arrive in Tambov Oblast's grain collecting centers. The harvesting was undertaken in a methodical way on all 496 farms. Early yields amounted on average to 14.5 quintals per hectare—slightly worse than last year.

"People are working conscientiously," Yuriy Kaliniy, deputy chief of the oblast agricultural administration said. "Prestrike sentiments, provoked by the uncertainty of the government's price policy, found no support among peasants. All 23 rayons decided to fulfill the peasant's holy commandment—above all to provide the state's grain requirements."

Farmers in Lipetsk Oblast, the first in the country to take on board intensive methods of grain cultivation, have begun selling grain to the state.

"The price for the part of the harvest that is subject to compulsory sale is 10,000 rubles per tonne," Gennadiy Kuptsov, Lipetsk Oblast Administration Head, said. "Many farm leaders consider it acceptable. Not all, however... But we are looking to the future with optimism: A start has been made. The first tonnes of grain have been delivered to the elevator."

The confidence in a favorable outcome to the harvest is not without foundation, in part because the crops in the fields have grown no worse than last year, especially where the experience of intensive work has not been wasted.

The covered threshing floors of the majority of farms on the Don, which as of today have harvested the grain from half of their fields, are full to overflowing. More than 3.5 million tonnes of grain have already been threshed. But less than one-third has reached the grain collecting centers: Only 270,000 tonnes have been sold to the state, and 700,000 tonnes have been put into temporary storage. In some regions, where the farms are large and there are reliable storage facilities, not a single kilogram of grain has arrived at the state grain collecting centers to meet the compulsory deliveries.

"The Russian president promised in Omsk that prices for energy sources would gradually fall. That is, he forecast for us countrymen a repetition of last year's situation, when the state bought grain from us for a song in October and November, and then put steep price rises on all industrial products required by the countryside. But this time we do not agree to it"—you can hear this opinion now in every peasant homestead.

Livestock Numbers Fall Due to Feed Shortages

PM2407111692 Moscow ROSSIYSKAYA GAZETA
in Russian 24 Jul 92 First Edition p 1

[Report from ROSSIYSKAYA GAZETA/ITAR-TASS column: "Situation Remains Complex"]

[Text] The livestock raising situation remains complex. Because of the shortage of feed and the reduction in deliveries of mixed feed, the republic's farms are reducing livestock numbers. According to the Russian State Committee for Statistics, as of 1 July 1992 the number of cattle on kolkhozes and sovkhozes was down 6 percent, hogs—4 percent, and poultry 15 percent. This had an immediate effect on production and purchases of livestock products. The sale of livestock and poultry and the gross milk yield fell in all regions of the Russian Federation.

Excessive Grain, Meat Imports Criticized

PM2407125592 Moscow SELSKAYA ZHIZN
in Russian 24 Jul 92 p 1

[Report by Mikhail Silvanovich: "And a Snub To Our Own People"]

[Text] By the start of this week grain had been cut over 4.2 million hectares in the Russian Federation—that is slightly over 7 percent of the area sown. Some 3 million hectares have been threshed—74 percent of the area cut. Some 8.8 million tonnes of grain have been threshed, or 28.4 quintals per hectare. The panorama of harvest work has unfurled in full in Stavropol Kray, Kuban, on the Don, in the regions of the Volga area, and also the Central Chernozem. Kaliningrad Oblast and Khabarovsk Kray have begun the harvest.

In former times the newspapers, radio, and television would already have announced that the flow of grain to the elevators was increasing. This year one thing is being constantly repeated on the teleprinter and over the telephone from the correspondents of all mass media: No one is selling grain; the average price offered by the state—8,000-10,000 rubles [R] per tonne—is not suitable and it should be a minimum of R12,000-15,000.

So far the government is not reacting to this. In some places the grain is already on the threshing floors—under the roof. It is to be supposed that the dealers will soon start to separate it. This is ours and this is not ours. In thinking over what is happening we decided to look back two or three years into history. And we revealed a trend in our state (read: states now) that almost no one has revealed but which was inherited from the former USSR: We use rubles and hard currency to cultivate and apply fertilizers not to our own grain fields but to foreign fields. Thus, last year, according to the Committee for Grain Products, we purchased 23.6 million tonnes of

grain in our own country—just one quarter of the gross harvest—and 16 million tonnes abroad. The results of grain procurements were affected by the price discrepancy between the output of the countryside and of the city; in order partially to overcome this problem, hard currency accounts were opened for grain sold by the collective and state farms over and above the firm quotas. Thus we procured 1.4 million tonnes. But we did not in fact pay for them, in practice deceiving the Russian peasants.

Moscow has an organization called "Eksporthleb" that with full justification could be renamed "Importkhleb" since we have virtually nothing to export unless we take the bread away from our fellow citizens. It is "our plowman" through whom the Russians support foreign farmers. Moved by simple civic feeling, we tried to find out from this organization whether they know that the Russian countryside is still a long way from having been paid in full for those 1.4 million tonnes of purchases and then how much has been paid in hard currency for the 16 million tonnes bought abroad. The "telephone ladder" brought us further and further up the rungs of "Eksporthleb." Finally it brought us to A.S. Peshkov, deputy director of the "Zerno" firm.

"It is a commercial secret," came Aleksandr Sergeyevich's artless reply.

We could do as we liked... We got nothing except one statement that surprised us, to the effect that it is more advantageous to buy grain abroad than in our own country.

Here the classic phrase—he who does not want to feed his own army feeds a foreign army—is really appropriate. The main question is, who stands to gain? And is that not the real commercial secret?

...They say that soon, imported meat will appear in the stores at a price several times higher than ours—that is while our livestock raising is being cut off at the roots. It is all part and parcel of the same thing!

Price Movements for Basic Commodities Reported

PM3007095792 Moscow IZVESTIYA in Russian

29 Jul 92 Morning Edition p 2

[Report by Tatyana Balugina of the Russian State Committee for Statistics, accompanied by Dmitriy Khrapovitskiy commentary under general headline: "Past Week's Price Hikes"]

[Text] During the period 14 through 21 July the prices of basic foodstuffs rose by 1.4 percent (city market prices included) and by 1.2 percent in the retail trade system. The growth had been 2.9 and 2.6 percent respectively in the preceding week.

The following table presents the price changes compared with the preceding week (in percentages):

	City Market Price Included	Retail Trade
All Food Goods (70 Food Items)	101.4	101.2
Meat and Meat Products	103.0	101.6
Edible Fats	98.5	99.2
Dairy Products and Cheese	98.4	98.3
Eggs	98.9	98.3
Sugar	102.4	101.8
Confectionery Products and Tea	102.4	102.4
Salt	103.0	103.0
Flour	106.5	106.3
Bakery Products	104.1	104.1
Pulses and Pasta Products	101.4	101.4
Potatoes and Other Vegetables	108.3	109.1

In the said period price rises were recorded in the retail trade system for the following products: top-grade wheat flour—12 percent; rye-wheat flour—6 percent; wheat bread made from first- and second-grade flour—8 percent; and potatoes—28 percent. On the city markets the "leaders" in terms of price hikes were beef (up 4.2 percent), hens eggs (4 percent), potatoes (6 percent), and beets (5 percent).

The prices on the city markets exceeded—but for some products corresponded to—the prices in the retail trade system. The growth rate of free market prices is lagging appreciably behind that of freed retail prices. The prices of vegetable oil (47.8 rubles [R] per liter in the retail trade system and R51.6 on the markets) and eggs (R21.5 and R23.4 per dozen) are relatively close, while the retail prices of butter exceed market prices (R174.7 and R165.2 per kilo respectively).

A selective study of the informal "black" market showed that prices of meat, sausage, tea, coffee, and vodka are 1.2-3 times higher than retail prices. [Balugina ends]

[Khrapovitskiy] The prices of agricultural produce on the Moscow commodity exchange rose 10 percent over the week and for many kinds of produce reached a record high since for the year. The price of valuable third-grade wheat was R15,000 per tonne (a 30-percent increase over the week) and top-grade wheat flour—R19,000 per tonne (a 41-percent increase over the week). But even at these prices grain producers are in no hurry to sell their produce—demand exceeds supply by a factor of 12. Demand for barley exceeds supply by a factor of 170. Kolkhozes and sovkhozes believe that the recommended purchase prices do not cover all the outlays. For instance, the purchase price of valuable third-grade wheat has been fixed at R10,000 per tonne (minus value-added tax), whereas on the exchange this same 1992 harvest wheat is being offered for sale at a price of R19,000-20,000 per tonne.

Last week the food commodity exchange market underwent substantial changes. The fall in supply of category 1

pork and beef resulted in 13- and 7-percent price increases respectively, and the prices of these products averaged R88 and R81 per kilo respectively—the highest since the beginning of the year. The decline in demand for canned beef stew notwithstanding, the increase in supply caused a 9-percent drop in price (the price of a 650-gram can was R84). As a whole, the price of meat and meat products rose 2 percent over the week.

Prices of fuel and energy resources and chemical industry output stabilized. A price rise was recorded only for diesel fuel (3 percent).

Economic Issues

New Labor Minister Melikyan Briefs Press

LD3007103192 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1700 GMT 29 Jul 92

[Report by correspondent V. Beletskiy on the "Novosti" newscast, including Beletskiy interview with Labor Minister Gennadiy Melikyan; place and date not given—recorded]

[Text] [Beletskiy] Russia has a new labor minister: Gennadiy Melikyan. He emphasized at his first meeting with journalists that from now on the ministry will coordinate issues of joint social and labor policy. The economics, finance, and social protection ministries will participate in preparing the policy. Specific issues of allowances to help people find work will rest with the federal employment service. A total of 108,000 people now receive unemployment benefits and 800,000 are looking for work. This problem will become more acute by the end of this year. There will be approximately 2 million unemployed. Millions of people found themselves on the brink of poverty at the beginning of the year. By now, the situation has improved somewhat, but compensation is still far from complete. The government has prepared social policy measures for the end of this year and the beginning of next year. They deal with incomes, employment, social insurance, and the pension policy. An attempt is being made to regulate the salaries of workers in the nonproduction sphere so that payments made to them take into account the complexity, responsibility, and intensity of their work.

What does the new minister want to achieve?

[Melikyan] We must try to walk a tightrope today. We must not fall over the edge into hyperinflation. We must support certain enterprises, although I stress again that this support should be selective and should have a special purpose. Of course, we must support certain groups among the population, i.e., weak people who find it difficult to adapt to this rigid market structure.

Plans To Increase Minimum Wage

LD2907221192 Moscow ITAR-TASS World Service
in Russian 1241 GMT 29 Jul 92

[By BUSINESS-TASS correspondent Vadim Yegorov]

[Text] Moscow, 29 July—The Russian Government intends to increase the size of the minimum wage by 50 percent in the near future. It will go up from 900 to 1,350 rubles [R] per month. As Labor Minister Gennadiy Melikyan stated at a press conference today, this measure corresponds to the new government program for socioeconomic reforms for 1992-1993, which envisages a certain softening of harsh monetary policy and an expansion of social programs.

As the minister reported, the program being discussed in government circles, along with the rise in the minimum wage, should establish a network of unified pay rates this autumn for all those working in budget-funded sectors, which will level out the distortions in pay levels that have arisen as a result of strikes and will provide for a uniform increase in wages in the future to correspond to price rises. According to provisional calculations, almost R550 billion per year will be needed for this, thus "forcing the government to introduce these measures gradually."

In reply to a question from the BUSINESS-TASS correspondent about plans to introduce wage indexation, Gennadiy Melikyan noted that he considers it expedient to use a mixed indexation mechanism proposing partial quarterly compensation for price increases and also simultaneous payments over the quarter for the most vulnerable groups of the population. "As the experience of East European countries has shown us," the minister emphasized, "automatic indexation of wages inevitably leads to hyperinflation."

Shumeyko Comments on Wages-Loan Concession Link

PM3007114592 Moscow ROSSIYSKAYA GAZETA
in Russian 28 Jul 92 First Edition p 3

[Sergey Seninskiy report: "Recipe Against Wage Growth"]

[Text] Russian First Vice Premier Vladimir Shumeyko rules out the possibility of any repetition of the catastrophic situation with enterprises not paying their debts.

The vice premier's confidence is based on the government's recent decision to link wages at state enterprises to the interest rate on loans used to supplement working capital. Enterprises which find themselves in the red as a result of paying off their debts are entitled to bank loans at a preferential rate—10 percent per annum. But on condition that wages are frozen. If this condition is broken, the interest rate will rise in proportion to the rise in wages.

Minister Discusses Foreign Trade Issues

PM2807111592 Moscow KOMSOMOLSKAYA
PRAVDA in Russian 28 Jul 92 p 2

[Interview with Petr Aven, Russian Federation Minister of Foreign Economic Relations, by I. Savvateyeva; date and place not given: "Friends and Invoices"]

[Text] For the uninitiated, foreign economic activity has always been an area of secrets and mystery and has therefore generated heightened interest. Recently, however, when Russia is making desperate attempts to break into the world market, the Ministry of Foreign Economic Relations is attracting universal attention. Today Petr Aven, minister of foreign economic relations, answers our correspondent's questions.

[Savvateyeva] Petr Olegovich, many people have the impression that in the present economic situation, when every kopek is precious, the government seems to have forgotten about the billions owed to us by other countries. Is something being done to finally get the debts repaid?

[Aven] We are owed in the order of \$140 billion. A large proportion consists of arms supplies and construction work over many years that have not been paid for. The biggest debtor—Cuba—owes Russia more than 75 billion. Unfortunately the countries in debt to us are mainly ones which, because of their level of economic development, will hardly be able to pay their debts in the very near future—Zambia, Cuba again, Angola, Uganda...

[Savvateyeva] But shouldn't we demand payment in the form of goods?

[Aven] They are not very well-off in terms of goods, either... You see, all these countries are in a similar or worse position than we are. Theoretically payment in the form of goods could be demanded of us too. But this is very difficult to do in practice.

[Savvateyeva] Maybe debts could be sold and we could get at least a proportion of the sum due to us back that way?

[Aven] We are exploring this all the time. But progress here is very difficult. Our treaties with a number of countries state that we cannot sell their debts without their consent. Moreover they—Algeria and Cuba, for example—disagree with any sale. In general reselling debts is a long and difficult process. And then there is the kind of logic that says, yes, we could sell debts now, but cheaply, whereas we could get a somewhat better price a little later on. The factors at work here are both the economic situation of the debtor-country and also the way our own economy feels.

Several top-class Western banks have been given a mandate to represent our interests. We have just signed an agreement on reassigning the debt of a certain African country. Nevertheless, I repeat, many debtors simply refuse to enter into negotiations—as a rule our longest-standing "friends."

[Savvateyeva] Surely there are mechanisms for pressuring deliberate nonpayers?

[Aven] The main one is to refuse further supplies—first and foremost arms supplies. This mechanism is already being applied, and we have achieved some successes as a result.

[Savvateyeva] Let us talk about export and import policy. What is the current situation here?

[Aven] Exports rose very rapidly in February, March, and April. May saw the start of a decline, but since June there has been growth again. In general the foreign trade crisis is linked primarily with the decline in production and our withdrawal from traditional markets such as Libya and Iraq. And also with the severance of relations with Eastern Europe. Furthermore we are only just establishing customs borders with the former republics of the USSR? As a result things recorded as their exports to third countries are in fact our exports. A classic example is Russian metal exports via Estonia.

As a result Russian statistics show a significant decline—approaching 30 percent—in exports in the last year. Western-style statistics, however, argue that the rate of decline is very slight.

A corollary of the reduction in exports is a reduction in imports. Whereas imports during the first quarter of this year rose 12 percent in comparison with the first quarter of last year, the results for the first five months of the year showed a 15 percent fall already.

Russia is extremely interested in trading with Eastern Europe: We used to get comparatively cheap equipment and spare parts for our industry from there. But when trading switched to a clearinghouse basis after CEMA disintegrated, relations went into an impasse. Because Russia had traditionally used oil and gas to pay for the products it obtained from Eastern Europe. But when the oil and gas producers obtained the right to trade independently, they immediately switched their sights to "hard currency" countries. We are hoping that this problem will become less acute in the very near future, since the national currencies in Czechoslovakia, Hungary, and Poland are now convertible.

The Czechoslovak deputy minister of finance has just been on a promotional visit to Tyumen and northern Russia. The Bulgarians have been too. We are now trying to get our oil producers to go to Czechoslovakia and Bulgaria so they can see for themselves that they can trade as profitably there as they can in the West. In order to preserve trading links we have also had to resort to nonmarket measures: issuing quotas for exports to specific countries. For example, we issued a quota for the export of 1 million tonnes of oil to Bulgaria. A considerable proportion of the quota—600,000 tonnes—was successfully sold at auction, and only 400,000 tonnes has now been transferred to a foreign trade association so they can export the oil immediately. This is not an ideal economic option, of course, but we have no wish to completely destroy our foreign trade.

[Savvateyeva] What is our export pattern?

[Aven] Oil, petroleum products, and gas account for 64 percent. Of this 40 percent is oil, 20 percent is gas, and 4 percent is petroleum products. Of course, we are doing everything to sustain exports of machines and technical products. Thus, during the first half of the year enterprises exporting these products did not have to sell 40 percent of their foreign currency to the state and are exempt from export duty.

[Savvateyeva] The architects of the medium-term program for economic reform claim that pretty soon oil production and, consequently, trading will become unprofitable.

[Aven] This is not going to happen immediately, but in the future it is quite possible. But in the next few years we will have to continue to put emphasis on trading in oil. Investment in the oil industry must also be in line with this. And the degree of inevitable losses we will make in this sector must be offset in the market by "higher-profile" goods and services in, for example, aerospace services, estimated by experts as a \$4 billion market.

[Savvateyeva] Government economic adviser Sergey Vasilyev claims that there is considerable untapped potential in Russia for exporting grain. But we intensively import it, which Sergey Aleksandrovich regards as simply monstrous...

[Aven] There is a difference between looking at a situation from the outside and being responsible for it. In 1985 I myself write a booklet arguing very persuasively that we should not buy grain from the West. But today, when a decision made by me could result in no bread in the stores tomorrow (I do not rule out the possibility that this would be provoked by the mafias with an interest in grain purchases from the West)—in that case I have to think carefully...

[Savvateyeva] What, in your view, should be the ruble exchange rate capable of maintaining an export-import balance advantageous to Russia?

[Aven] With the existing exchange rate we ended the first five months of the year with almost a zero balance. I think that the exchange rate will be more realistic in the future. The dialectics are as follows: If the ruble is cheap (that is, people will give you loads and loads of rubles for a dollar), it is advantageous to export. But an extremely cheap ruble does not benefit importers: They have to buy dollars from the state, and they are very expensive. Some kind of balance is necessary. Modern economic theory considers that in a country at the stage of liberalization and stabilization the currency should be slightly cheaper than its actual purchasing power: to ensure additional export opportunities. In our country, however, the rate of the ruble against the dollar is substantially below its purchasing power. A dollar should not cost over \$100. There is a simple formula. It is considered that industrial wages in a country with our level of development should be around \$50 a month. The average in

our country, however, is 3,000 rubles [R]. Divide 3,000 by 50 and you will see that a realistic rate today might be R60 to the dollar.

[Savvateyeva] Import tariffs were introduced in Russia recently. This measure perplexed many people: The country is poor, yet you are limiting imports of goods. And our shopper is the one who is suffering as a result.

[Aven] We would like to be able to live without import duties, but...! First, there are fiscal, budgetary considerations. Second, the state has to monitor the expediency of imports. You would agree that Mercedes cars, which are being imported in large quantities today, are far from being a prime necessity. So for this reason import tariffs are the only means of protecting Russian producers. This lever will become particularly effective when the ruble becomes convertible and Western goods flood into the country. But even today industry is already aware of outside competition, particularly producers of textiles, electronic equipment, and consumer goods.

Generally speaking, in economics there are no ideal options in principle. You are always choosing between empty shelves and high prices, between protection for industry and unrestricted imports... Therefore all the activity of a normal government boils down to seeking a balance between two extremes.

[Savvateyeva] What types of goods does the government itself intend to buy abroad in the next few months?

[Aven] I would turn your question around: What kinds of goods does the government intend to subsidize? This is because, given the current exchange rate for the ruble, the price of such goods on the Russian market would be beyond what consumers could afford. I therefore believe that a poor state should subsidize out of the budget only prime necessities. First and foremost food and medicines. Grain, cigarettes, and sugar are my main concerns at the moment.

[Savvateyeva] Petr Olegovich, there is a subject which you won't find extremely pleasant but which is the subject of vociferous discussion in society: the corruption of officials serving in your department. How often do you come up against the problem of bribes? Have you personally been offered bribes? And what in general do you think about the current quota and licensing system, which itself spawns graft?

[Aven] I am exposed to pressure from various lobbies every day. During my first two months in the job I personally received tacit "cooperation" proposals. Money was not offered openly.

We have to abandon the quota and licensing system, which would also end any corruption. It would give me great satisfaction to do this in the course of this year. But it's not all so simple: Numerous industrial groupings with an interest in preserving their monopoly right to trade with the West exert powerful pressure to retain the status quo. But I believe that the availability of a given

product on the market can be successfully guaranteed with the aid of export and import tariffs.

[Savvateyeva] Petr Olegovich, the former republics of the USSR have become foreign countries as far as Russia is concerned. In tackling the problem of strengthening the ruble the Ministry of Finance and the Central Bank of Russia are encouraging the former republics either to leave the ruble area and introduce their own currencies or to observe very stringent rules for coexistence within this area. The possibility of no longer accepting payments from CIS states which don't pay Russia for goods received is being seriously discussed. Will this not lead to the complete collapse of trade and the severance of all economic links?

[Aven] Here again we were compelled to choose between two evils: the severance of economic links or hyperinflation. In the course of my involvement with economics I have learned absolutely that hyperinflation is the most terrifying thing there can be. Hyperinflation means a society of permanent and in-built speculation. Hyperinflation means the loss of all the normal points of reference characteristic of a normal society. Hyperinflation means the rampant speculation of the New Economic Policy period [the early 1920's]. And as a rule there is only one end result: a headline regime. So any chances of preventing hyperinflation must be taken.

[Savvateyeva] A personal question to end with. At the time Fuel and Energy Minister Lopukhin was "removed" from the government, your name was always mentioned in the same breath. Why, do you think? And why did Lopukhin go while you stayed on?

[Aven] The Ministry of Fuel and Energy and the Ministry of Foreign Economic Relations, which are involved in the distribution of licenses and quotas, have always come under heavy fire from lobby groupings. And it would have been strange indeed if Lopukhin and I had been left in peace. Lopukhin went. Why am I still sitting in this seat today? That is a very complex question. I don't have an exhaustive answer...

Finance Minister Explains Budget Policy

PM3007112592 Moscow ROSSIYSKIYE VESTI
in Russian 28 Jul 92 pp 1, 3

[Article by Russian Federation Finance Minister Vasilii Barchuk under the "Economy" rubric: "The Country's Budget: Guidelines Specified"—first paragraph is introduction]

[Text] The second phase of economic reform has started. What will be the results? Will we be able to check the decline in industrial and agricultural output and improve people's lives a little at least? These questions worry many Russians today. But it is not easy to give answers to them. We do not have such prophets. But it perfectly possible to gain an idea of how the situation is shaping up in particular spheres. Today Russian Federation

Finance Minister Vasilii Barchuk reflects on the state of affairs regarding the state budget.

The six-month period of economic reform, for all its difficulty, has confirmed in principle the correctness of our chosen path. The main thing is that we have managed, as a result of the liberalization of prices and tough financial and credit policy, to soak up the accumulated monetary surplus which was assuming menacing proportions. This has made it possible, among other things, to reduce the nonproductive burden on the budget concerned with compensating for the huge difference in prices, to reallocate the resources thereby released into the social sphere, and to force the mechanism of supply and demand to operate in the consumer market.

The tough finance and credit policy has made it possible to restrict the leap in inflation and prevent its turning into uncontrollable hyperinflation. But it should be frankly stated that there are no grounds as yet warranting the drawing of optimistic conclusions, although it is impossible not to notice that there are positive factors present. Monetary circulation, for example, has somewhat revived, despite the fact that enterprises have encountered serious difficulties. Consumer demand is having an impact on the dynamics of prices, and growth in the commodity stocks held by the retail trade is observable. The first signs of the functioning of the market mechanism have appeared. At the same time many important indicators of national economic activity have failed to overcome adverse trends. This applies first and foremost to the decline in industrial and agricultural output.

The range of measures to tighten budgetary and credit policy, which are designed to reduce the deficit, restrict the issuing of credit, and stabilize monetary circulation, was not slow in having an impact on the financial position of enterprises and organizations. Insolvency began to spread like wildfire along the whole chain of reciprocal settlements between suppliers and consumers. Given the development of inflationary processes, the Central Bank of Russia raised the interest rate for centralized credit to 80 percent. Nevertheless, the rapid rates of wage increases in the sphere of material production and the shortage of noncash means of payment as a result of the restriction of credit input led to a crisis in cash turnover. The situation in foreign economic activity, which also affects the budget's revenue base, is still not stabilized. During these six months the state budget—that is to say, the consolidated budget—received 1,041 billion rubles [R], but it financed to the tune of R1,257 billion during the same period. The federal budget received R567 billion, and, in view of the low level of revenue receipts, the Finance Ministry was forced to limit temporarily the financing of planned expenditure. Expenditure of R868 billion was financed. The federal budget deficit, taking borrowings into account, stood at R18.8 billion.

The problem of VAT [value-added tax] receipts remains acute. While the other taxes and budget revenue are close

to and in some cases, including profits tax and individual income tax, even somewhat exceed the projected sums, there was a VAT revenue shortfall of around R200 billion during the six months. But this does not mean that there are no resources. There are resources, but they are to be found in the mass of nonpayments residing in banks' debtors' files.

The Law on the Budget for the current year was finally adopted at the Russian Federation Supreme Soviet session. Unfortunately, the process of examining and confirming the budget was manifestly spun out. Meanwhile, the lack of a confirmed annual budget introduced a certain nervousness and confusion into the organization of the economy and finances of the country, which is in any case in need of radical modernization since we embarked on the course of switching to market relations. The practice of prolonging the formation and confirmation of the budget is a luxury we cannot afford. The time for the actual implementation of the budget is being unjustifiably reduced, with all the consequences that entails.

I will now give a few figures.

The total annual revenue of the consolidated budget has been set at R4.104 trillion. Total budget expenditure is estimated at R4.835 trillion. The overall budget deficit will thus come to R731 billion—that is around 2 percent of GNP.

Regarding budget policy approaches to the material production sphere, it should be noted that the budget for the current year makes the first, perhaps not so major but nevertheless important steps in principle toward reviving production in those sectors which directly determine the vitality of the whole of our society and the prosperity of the population.

It is also important that the government did not deem it advisable to rectify the budget situation out of the increase in prices for sources of energy. Part of the extra earnings that the suppliers accrue out of this will remain at their disposal to form a real resource for strengthening the material and technical base of the fuel and power complex sectors.

Although somewhat reduced, the proportion of expenditure on the national economy in the budget nevertheless comes to almost 23 percent in the consolidated budget. The main burden is borne by the federal budget—R776 billion—that is more than two-thirds of all expenditure on the national economy. This chiefly comprises subsidies to compensate for differences in price, particularly in the coal industry. But for the most part this is state financial support for the agro-industrial complex.

On the whole allocations to this sphere under the consolidated budget have been more than doubled compared with the budget submitted earlier. The sum comes to R757 billion. Here you have not just production investment, but also the development of social infrastructure and other expenditure. For example, capital investment out of the budget is envisaged at R177.7

billion. Subsidies for livestock production and compensation for outlay on fuel and lubricants come to almost R195 billion. R34 billion is envisaged for nonrepayable budget support for private farmers.

State investment in the production sphere is the most acute item in the budget. The actual situation is such that this investment had to be reduced. Admittedly this did not affect the "Chernobyl" program. Given the critical situation prevailing in transport, it is intended to increase capital investment in that sphere.

I think that the forced cut in state investment could and should be made up for in the national economy out of the private sources of enterprises which are now embarking on the entrepreneurial path. Such potential exists, and it is realistic. In 1992 a considerable proportion of the profit will remain at the disposal of enterprises after all taxes have been paid. It is important to increase the productive utilization of profit and boost the share of profit going into savings. Moreover, it is intended to channel R70 billion into completing the construction of installations which are of great importance to the national economy.

To provide stable sources for the investment sphere a proposal to revalue fixed capital has been submitted; this will make it possible to increase considerably the amount of depreciation canceled into capital investment. Moreover, the application of accelerated depreciation is also envisaged where need be.

There is another difficult and extremely complex section in the budget—defense financing. Efforts to make cuts in purchases of arms and military equipment and on the upkeep of the Army and Navy have yielded no real savings to date and are swallowed up by increasing additional outlay on setting up a separate Russian Army, carrying out conversion, withdrawing troops taken under the jurisdiction of the Federation, the destruction of nuclear, chemical, and conventional arms, and improving servicemen's social protection. The question of the CIS countries' actual participation in the financing of joint expenditure on defense has not, unfortunately, been resolved. This expenditure is being borne by Russia for the time being.

Our vision of the concept of budget policy for the future, in the implementation of which a crucial role is undoubtedly assigned to the budget, makes it possible to identify two stages in it. The first stage is organically linked to the course of resolutely rejecting the former system of management.

This is backed by a tough line of containing and overcoming the trend toward a growing budget deficit in conditions of a continuing fall in production and inflation. And in the second place, by ensuring social protection in the form of direct state support for people who now live on the poverty line.

As far as the second stage is concerned, this involves expanding the sphere of influence of budgetary policy. This should principally take the form of increasing

allocations for sociocultural measures and state support for the population and stepping up budget policy with regard to the agro-industrial complex, the conversion of military production, and the investment sphere.

We all know full well that tax rates are too high at present. Everyone agrees here. But the fundamental position of the government is that breaking up the tax system or any fundamental changes when the system is only just beginning to work are scarcely justified.

At the the same time the government has started adjusting tax policy as conditions conducive to its mitigation are created. The first steps in that direction have already been taken. Twenty percent of VAT receipts are now paid into the budgets of national-state and administrative-territorial formations. The VAT rate for a number of foodstuffs has been reduced to 15 percent. The list of profits tax concessions has been expanded. The tax rate for individuals has been reduced.

In short, we have to achieve what we set out to do. The prerequisites for this are there. But it must be frankly stated that there are quite a few anxieties and fears. However, whatever they may be, the government is in control of the situation.

And that is the main thing today.

'Rental System' for Power Industry Suggested

PM3007091792 Moscow Russian Television Network
in Russian 1000 GMT 27 Jul 92

[Report by S. Omelchenko and D. Malyshev—from the "Vesti" newscast]

[Text] [Omelchenko] Many specialists are now seriously thinking and worrying about whether we will have enough fuel, power, and heat by the time winter sets in. There have been reports from local areas that the general crisis in the country has led to difficulties with fuel supplies and electricity generation. In order to bring power generation up to market standards, power workers at more than 150 different organizations connected with the Russian fuel and energy complex have developed a concept for a new energy policy. [Video shows A. Mastepanov, specialist at the Russian Ministry of Fuel and Energy, identified by caption]

[Mastepanov] The concept proposes that we move to a rental system [arendnyy printsip] of budget formation.

[Omelchenko] This means that the use of electricity, oil, gas, and gasoline will cost consumers considerably more than before. Naturally, this is an unpleasant business for all of us. But it is planned that this will make enterprise leaders more economical in their use of natural resources, and power workers will finally receive sufficient funds to maintain the development of the fuel and energy complex and society's infrastructure.

Procedure for Issuing Vouchers Explained

MK3007132592 Moscow KURANTY in Russian
30 Jul 92 p 3

[Zhanna Shanurova report: "You Want a Voucher? You Will Have To Wait"]

[Text] The telephone has not stopped ringing in the editorial office. KURANTY readers are concerned—when will the shareout of state property begin, and on what scale? Will there be any privileges attached to the receipt of vouchers? A KURANTY correspondent telephoned Lev Tsvetkov, chief of the State Property Committee Main Information Administration.

"As you know, the shareout of the people's wealth has already started with small-scale privatization," Lev Anatolyevich said. "People have quite readily invested money in it. But, naturally, even a sack of bank notes is not enough to buy such a major enterprise as, say, the Lenin Komsomol Auto Plant. Therefore all this will start being shared out using vouchers. At every shareholding [aktsionirovannoye] enterprise 35 percent of plants' and factories' property will be given out to people free of charge.

"The Main Administration for the Production of State Bank Notes, Coins, and Medals is already compiling an order for the manufacture of vouchers. A decision has been made as to who will transport them, and the Ministries of Internal Affairs and State Security will provide protection. At local level commissions are being set up under chiefs of administrations, who will handle the organization of voucher distribution. Several options are being kicked around under which people would receive them directly. At the moment preference is being given to savings banks.

"As regards any kind of privileges attached to the receipt of vouchers, they are not envisaged. This, I think, is a fair decision—to give everyone an equal share. Later on, people can decide what to do with them: Anybody who wants to will be able to buy shares in privatized enterprises, and anybody who wants to will be able to sell a voucher for cash. Especially as this is easy to do—it is proposed to issue such a document to the bearer.

"A draft presidential decree has already been prepared. The only snag is that the question of a voucher's nominal value has not yet been decided.

Fall in Ruble Reflects Central Bank Dilemma

PM3007115592 Moscow ROSSIYSKAYA GAZETA
in Russian 28 Jul 92 First Edition p 2

[Sergey Panasenkov article: "Ruble Heading Where It Was Sent"]

[Text] This is probably something that even the most devoted followers of Georgiy Matyukhin, the former Central Bank of Russia chairman, could not have expected. Immediately upon the appointment of his successor, Viktor

Gerashchenko, the rate of the dollar on the Moscow Inter-bank Currency Market "slumped" from 135 to 151 rubles [R], at a speed that we had not seen since the winter. And even though there were immediate calls for its possible stabilization and talk about the "randomness" of this dive, there are considerations which make us treat these views with skepticism.

The direct cause of this market reaction was Viktor Gerashchenko's statement, carried by news agencies, that it would be neither sensible nor expedient to sell within the country currency that could be used for transactions with foreign creditors. Without getting into a debate about what would be better or worse about this, we would merely note that Viktor Gerashchenko enjoys a universal reputation as an experienced and skilled banker. Consequently, he could not fail to recognize what the market reaction to his words would be. So it would not be stretching a point to suppose that the ruble's fall against the dollar came as no great surprise to the new chairman and did not upset him greatly.

But even this fact would not of itself merit any great attention, were it not for our government's longstanding, cherished, and not yet discredited dream of seeing the ruble soon stabilize at an "acceptable" rate of R80 to the dollar. And the classic means of stabilizing a national currency is still intervention by the national bank.

Thus, Viktor Gerashchenko's reluctance to spend a lot of dollars on maintaining the publicly promised ruble rate clearly runs counter to the Yegor Gaydar government's aspirations, which cover investment projects, import operations, and, finally, promises given to the IMF and the World Bank to ensure ruble convertibility.

Optimists are hoping that the 14 June presidential decree, which changes the mechanism of relieving enterprises of half of their foreign currency earnings, will help to saturate the domestic market with convertible currency and, consequently, reduce its cost. But the decree merely obliges enterprises to sell 20 percent of their foreign currency earnings on the domestic market; it cannot stipulate the price at which sales should be effected. Russian financiers are helpless (and this helplessness is understandable) in establishing a real relationship between the purchasing power of the dollar and the ruble while our domestic pricing structure is so dissimilar to the general world structure. In the context of inflationary expectations the speculative action of buyers and sellers of currency in the free market is unpredictable. And, do what you will, without intervention by the national bank it will be impossible to stabilize the ruble rate. If the Central Bank of Russia does not show the appropriate zeal in this matter, the government's dream will always be just a dream.

The tragicomic aspect of the situation is that our debts do have to be paid, after all. But the government and the Central Bank do not have enough hard currency. We can choose one thing or the other. Either we pay our foreign bills or we stabilize the ruble. An attempt to do both at

the same time is doomed to fail under the prevailing economic situation, since neither aim would be achieved as a result. And the faster the Central Bank and the government can come to an agreement, the greater the likelihood that our financial system will start to prosper.

IZVESTIYA Assessment

PM2907152992 Moscow IZVESTIYA in Russian
29 Jul 92 Morning Edition p 8

[Ivan Zhagel report: "Foreign Currency Exchange: New Policy for the Central Bank of Russia"]

[Text] The following results were obtained at the latest auction at the Moscow Foreign Currency Exchange 28 July: The transaction rate was fixed at 161.1 rubles [R] to \$1 (whereas at previous auctions it was equivalent to R155.7) and the total amount of sales was \$19,810,000.

This time it was not only the total amount of sales that dropped but also the extent of the foreign currency intervention by the Central Bank of Russia, which predetermined the rise in the dollar rate. The fact that this rate has been given free rein is evidence that the new leadership of the Central Bank of Russia thus far has not formulated its policy on the free market, although what we are now seeing may be the outlines of its new foreign currency policy.

That is, the bank has relaxed control over processes on the foreign currency market while at the same time keeping its foreign currency reserves to support some state programs. This may herald the effective return to multiple rates of exchange for foreign currency, which we were ditching with such difficulty throughout the first half of the year. But this policy harbors another very serious danger. The increase in the dollar exchange rate on the free market will render this market inaccessible to most of the republic's economic sectors. And even bigger centralized reserves will be needed to support them.

Decree on Compensation Payments Published

PM3007124992 Moscow ROSSIYSKAYA GAZETA
in Russian 29 Jul 92 First Edition p 4

[Decree of the Russian Federation President No. 799, dated 24 July and signed by Russian Federation President B. Yeltsin: "On Compensation Payments to Pensioners"]

[Text] With the aim of reinforcing the social protection of pensioners and guided by the RSFSR Law "On the Early Introduction of the RSFSR Law 'On State Pensions in the RSFSR,'" I resolve:

1. From August 1992 until the introduction of new minimum wage and minimum old-age pension levels to effect compensation payments of 420 rubles per month to pensioners receiving old-age or invalid pensions, pensions for the loss of a breadwinner (for every disabled member of the family), for long service, and social

pensions awarded in connection with the RSFSR Law "On State Pensions in the RSFSR."

2. To establish that the compensation payments provided for by the present decree are to be effected from the same sources from which the corresponding basic payments are made.

3. To instruct the Central Bank of the Russian Federation to supply cash for pensions and the set compensation payments on a priority basis, and the Russian Federation Ministry of Communications to ensure their prompt delivery to pension holders.

[Signed] Russian Federation President B. Yeltsin
Moscow, Kremlin
24 July 1992
No. 799

Environmental Issues

Inventory of Radioactive Sites Under Way

OW2807171792 Moscow INTERFAX in English
1621 GMT 28 Jul 92

[From the "Interfax Business Report", transmitted via KYODO]

[Text] The Russian Government passed a resolution to take inventory of all sites and installations involved in the extraction, transport, processing, storage, and burial of radioactive materials and sources of ionization of radiation.

The government will push for tighter controls of dangerous sites, and will take inventory of firms using radioactive materials in their production processes. The government will later issue licenses for their operation.

The Russian Ministry of Ecology along with Goskomsanepidnadzor [expansion unknown] and Gosatomnadzor [State Committee for the Supervision of Nuclear and Radiation Safety] will develop a government register of all burial sites of radioactive materials.

'Rapid Reaction' Ecological Troops Planned

LD2907044192 Moscow Radio Rossii Network
in Russian 0300 GMT 29 Jul 92

[Text] This fall a new type of service is envisaged in the Russian Army: ecological rapid reaction troops. A RIIKA correspondent was told this by Russian people's deputy Valeriy Skripchenko. The troops will be designated for combating the consequences of human activity negative to the ecology. Skripchenko said the need for such units is obvious. He expressed confidence that these troops would also be invited to other countries.

Conversion Issues

Utilization of Scrapped Warships To Increase

OW2907145592 Moscow INTERFAX in English
1336 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] Russia's government intends to speed up the utilization of warships and submarines, nuclear-powered in the first place, signed off by the navy. They can be used for developing new technologies for cutting up ships and thus employing the republic's ship-building and repairing capacities.

Russia's Committee for State Property will hand over the vessels to the warves which will carry out the work on the self-financing principle without drawing funds from the budget.

New ecologically safe methods should be evolved yielding titanium alloys and other metals. Private producers and foreign investors could be attracted to the works.

The metal scrap and by-products obtained from utilized ships can be sold under certain quotas and licenses issued by the Ministries of Industry and of Foreign Economic Relations. Exception should be made for goods banned for export under Russia's law.

The enterprises utilizing vessels will be exempt from import and export duties. They will be obliged to sell 50% of their export earnings at the current rate and charge the rest to the special account in the Finance Ministry to be used for importing equipment for them.

The government will offer them initial tax allowances (one vessel utilized by each plant engaged in the business).

Aircraft Undercarriage Plant Conversion Noted

OW3007014092 Moscow Central Television First Program and Orbita Networks in Russian 1845 GMT 28 Jul 92

[Unidentified correspondent's video report, from the "Utro" program]

[Text] Until recently, the Gidromash Production Association in Nizhny Novgorod was closed to journalists because, figuratively speaking, it put the country's entire military air fleet on its feet. This is where hydraulic systems, struts, and undercarriages for all models of combat aircraft, helicopters, and even for the Buran space vehicle were produced. [video shows instruments, aircraft undercarriage components undergoing tests]

In fact, all of this continues to be produced here; however, the number of orders for military equipment has almost been halved. Conversion has turned out to be quite unpredictable, and the formerly secret plant's

officials simply cannot find out from the government what the tasks for the Air Force will be in the near future. Either this is ultra secret or simply nobody knows. In any case, to stay in business, the Gidromash plant worked out its own idea of conversion. [video shows interview with unidentified plant official]

[Begin unidentified official recording] Since we are specialists in aviation equipment, our conversion should consist of developing the production of civil aircraft. We should produce more civil aircraft in exchange for the cutback in military aircraft. In 1993, the production of civil equipment compared to 1992 should increase by about 150 percent through an increase in the production of Yak-42 aircraft and of new aircraft such as the Molniya. In fact, (Lazin Lazinskiy) of the Molniya experimental design bureau, who produced the Buran, has now developed a taxi aircraft. [end recording]

Meanwhile, to retain the highly skilled personnel and to keep the people in jobs....

[Official] We have begun producing a large number of various hydraulic cylinders for tractors, cranes, and excavators; and this production now has almost taken the place of what we are no longer able to produce in the military equipment sphere. [end recording]

Military Issues

Grachev Orders Military Out of Politics

OW3007135092 Moscow INTERFAX in English
1327 GMT 30 Jul 92

[Transmitted via KYODO]

[Text] Russian Defense Minister Pavel Grachev is reported to have issued an executive order under which the military must keep away from politics. From now on, only the minister himself and his deputies will be authorized to issue political statements. No other officer, even top brass, will enjoy this privilege.

The minister has also informed Russian officers troops are entitled to shoot to kill in case of arbitrary actions against themselves or Army installations.

A high-ranking officer in the Russian Army explains that minister has eliminated the need for warning shots in clear-cut assault cases.

Other Issues

Security Aide Denies Embezzlement Charge

PM3007105592 Moscow ROSSIYSKAYA GAZETA
in Russian 28 Jul 92 First Edition p 2

[Vladimir Petrov report incorporating letter from I. Doroshenko, colonel attached to Russian Security Ministry, under "Returning to Earlier Article" rubric: "Password: You Have a Fridge for Sale"]

[Text] An article by V. Petrov under the rubric "Ministers Swap 'Comrades'," which reported the dismissal of a group of senior officers and generals from the Russian Federation Security Ministry, was published in the 10 June edition of ROSSIYSKAYA GAZETA. Specifically, the article said, "for abusing their official position, the following have been recommended for dismissal..." (a number of names follow, among which is that of Colonel I.I. Doroshenko).

The newspaper has received a letter which reads as follows:

"To the chief editor of ROSSIYSKAYA GAZETA.

"An article by Vladimir Petrov entitled 'They Were Caught Stealing' was published 10 June 1992 in issue No. 132 (468) of ROSSIYSKAYA GAZETA. This article contains information that casts aspersions on my honor and dignity.

"The results of an official investigation have not established any instances of alleged embezzlement committed by myself. I had no connection with the allocation of apartments and material assets.

"I consider the mention of my name in an article headlined 'They Were Caught Stealing' as quite simply libelous.

"Under Article 43 of the Russian Federation Law 'On the Mass Media,' I request that in the next issue of ROSSIYSKAYA GAZETA you publish this statement from me as a denial of your allegation.

"I request that you inform me of the decision you have made.

"I. Doroshenko, colonel attached to the Russian Security Ministry."

We are publishing I. Doroshenko's letter in compliance with his wishes. In order to obtain more accurate information, we turned to the commission that worked in the ministry, which presented us with the excerpt from the concluding document of the Inspector's Administration that deals with I. Doroshenko: "Colonel I.I. Doroshenko, aide to the first deputy minister...moreover visited a hideout in person and (during the period the commission was at work) took away a fridge, an Uzbek carpet, two lamps, and a bedside table without paying for them."

It only remains to rejoice at the material prosperity of the "colonel attached to the ministry," for whom the appropriation of the items listed above is not even an abuse but a mere trifle unworthy of attention.

In addition, the Russian Federation Security Ministry informed us that the Inspector's Administration adheres to the principle that the demands made on Security Ministry staffers are much more stringent than those made on everybody else. Therefore any act connected with abuse of an official position will not go unpunished.

Supreme Soviet

Yeltsin Makes Proposals for Draft Constitution

Rumyantsev on Amendments

LD2807130392 Moscow ITAR-TASS World Service
in Russian 1145 GMT 28 Jul 92

[By ITAR-TASS parliamentary correspondent Aleksey Tabachnikov]

[Text] Moscow, 28 Jul—At tomorrow's session of the Constitutional Commission, President Boris Yeltsin will propose a number of amendments to the draft constitution approved in April by the Sixth Congress of People's Deputies. In an interview with an ITAR-TASS correspondent, Oleg Rumyantsev, executive secretary of the Constitutional Commission, reported that these amendments concern three groups of issues.

The first proposal is that the imbalance between the powers of the president and the government, on the one hand, and of the parliament, on the other, be eliminated. Oleg Rumyantsev expects Boris Yeltsin to "strengthen the powers of the president and the government."

The second group of amendments envisages "the restoration of the principle of people's power"—the people will be granted the constitutional right to put the most important issues of the life of the state to a referendum, while the president will be given the right to instigate the holding of such a referendum. Meanwhile, according to Oleg Rumyantsev, "a norm will be proposed that allows the fundamental constitutional principles to be altered only through a referendum, and not in parliament."

Several amendments concern adjustments to provisions of the Federation Treaty. "This needs to be done in connection with the fact that the delineation of powers between parties to the federation has taken place at the political level, but it is meeting with certain difficulties on the economic and legal level," Oleg Rumyantsev noted.

Asked by your ITAR-TASS correspondent about the possibility that the right for the president to call early parliamentary elections might be included in the constitution, Oleg Rumyantsev emphasized that "the very fact of adoption of the constitution next year will mean preparations in 1994 for fresh parliamentary elections."

Filatov Gives 'Positive Appraisal'

OW2907195992 Moscow INTERFAX in English
1926 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] First Deputy Chairman of the Russian Supreme Soviet Sergey Filatov expressed his satisfaction that participants in the constitutional commission session held on Wednesday [29 July] unanimously concluded that the current House of Deputies must work until its term of authority expires. He gave a positive appraisal of

President Boris Yeltsin's proposals for a constitutional project. (See third edition of INTERFAX News for July 29 for further details).

Mr. Filatov stated that a certain distortion exists in the current balance of presidential and parliamentary power which grants more authority to the latter. He pointed out the absence of equality in presidential and parliamentary power, stressing that "the Parliament can do practically anything, whereas the President is limited in his rights".

One of the leaders of the Supreme Soviet believes that the President should be able to initiate a referendum, a right currently reserved for Parliament.

Yeltsin Addresses Commission

LD2907200692 Moscow Russian Television Network
in Russian 1822 GMT 29 Jul 92

[Speech by Russian President Boris Yeltsin at opening of Russian Constitutional Commission session in the Kremlin, Moscow, on 29 July—recorded]

[Text] [Passage indistinct] On the basis of all this I have decided, starting today, again to be actively and personally involved in the activities and work of the Constitutional Commission—both as president and as chairman of the Constitutional Commission—and I will work with you until the adoption of the new constitution.

The task is not to preserve this or that draft in its pristine pure format, but for the final version to include all the best ideas that have arisen during the work on the constitution, including those from alternative drafts. It is equally important that it is not turned into an artificial conglomeration of legal norms and empty declarations. Russia needs a full-blooded basic law that is worthy of its very rich experience and, I am convinced, broad prospects.

The draft constitution that was adopted as a basis by the last Congress of People's Deputies approaches these requirements in a number of its parameters. It has become more precise, clear, and compact. At the same time, as president I have a number of fundamental criticisms and proposals for its final drafting. First and foremost they have to do with strengthening and enhancing the effectiveness of the executive power. I regard this as my duty as president. Executive power bears no small burden of responsibility for the reforms in the country and for ensuring normal stable life in it. I think we will find mutual understanding and be able to avoid propagandist clichés about some sort of threat of dictatorship by the president.

My standpoint is clearly outlined. I am a firm opponent of any dictatorship, and I am an advocate of a strong and democratic state that has effectively functioning institutions and administrative bodies, rests on a fundamental base of legislation and acts on the basis of a legitimate constitution, a constitution that is based on the principle of division of powers, has a system of checks and balances, and does not impede—but on the contrary

promotes—the dynamic development of a civic society; a constitution that includes elements such as truly independent mass media, and most importantly, ensures the real implementation of very complex reforms. All these are most important attributes of strong and democratic statehood, not of dictatorship.

Another part of my proposals will bear on the real changes that are taking place in the country. Today many institutions of the Russian state—such as the Army, customs, border protection services, and others—are developing in a dynamic way. The federative treaty and a number of laws that have been adopted already or are being examined by the Supreme Soviet gave a strong impulse to Russian transformations. Naturally, all new phenomena should be reflected in the constitution, and precisely in an anticipatory manner. Moreover, the basic law itself should stimulate these changes on the way toward normal human life.

The transitional provisions will be of particular significance in the constitution that is being drafted. The articles in these provisions are intended to ensure a regime of maximum favor for reformist activity by all institutions of state power. The state must be able to operate with maximum flexibility, efficiency, and vigor, and must be able effectively to counteract the process whereby a brake is being put on reforms.

I will dwell on certain specific proposals on individual articles of the draft constitution of the Russian Federation. I submit them in accordance with Point 2 of the decision of the Sixth Congress concerning the draft constitution of the Russian Federation, and so that they may be elaborated further. Point 2 provides for further work to be done on Sections 16 and 17 of the draft constitution, the Russian president's proposals and observations having been taken into account. What are the main proposals? I will let the Secretariat and all members of the Constitutional Commission have them in greater detail, signed by me, later on.

First, it is proposed to establish that the provisions of the first section, "Fundamentals of the Constitutional System", may be changed only by a referendum of the Russian Federation with nationwide voting, as was recorded in earlier versions of the draft. It makes sense to restore this measure.

Second, it is not proposed to make the right to appeal to international bodies for the protection of human and civil rights and freedoms conditional on having exhausted national means for protection of rights. It is quite sufficient to stipulate that the appeal should be made in accordance with international treaties of the Russian Federation.

Third, I believe that the Russian constitution should contain a direct ban on activities of organizations and public associations that propagate social and ethnic enmity and hatred.

Fourth, with the aim of achieving the optimum correlation between legislative and executive authorities, and in keeping with world constitutional practice, there should be a provision that the delaying veto of the president of the Russian Federation may be defeated not by a majority, but by a two-thirds vote of the deputies elected to each chamber.

Fifth, it would seem to make sense to include the president in the circle of entities at whose demand the Supreme Soviet calls a referendum of the Russian Federation.

Sixth, the constitution must enshrine the right for the president of Russia to set up his or her own consultative and auxiliary bodies. It seems justified to grant the president the right to reorganize the structure of executive power, subject to subsequent endorsement by the Supreme Soviet. While preserving control by the parliament of Russia, this would serve toward ensuring flexibility and efficiency of executive power.

Seventh, experience shows that the constitution should include a special stipulation granting the president the right to appoint, when necessary, federal officials to republics, krais, oblasts, autonomous oblasts, and autonomous okrugs who are to act within the limits of the powers of the president of the Russian Federation.

Eighth, in response to the current situation, it is necessary to include a paragraph among the transitional provisions which provides for Russia's Supreme Soviet, during the period of radical reform, to have the right by federal law to endow the president with powers to issue decrees on precisely defined issues that come within the sphere of federal legislation. It would be proposed to grant the president powers, for the period of the reforms, to appoint officials in the system of executive power directly.

Other amendments to the draft, as I said before, will be submitted to the Constitutional Commission later.

The commission is to devote special attention to removing internal contradictions in the text which, if one approaches it in an unprejudiced way, are not difficult to discover.

A matter of special significance is the procedure for adopting the new constitution. I am convinced that the adoption can take place, evidently, only in 1993. This must be done as democratically as possible, not only as far as formal features as concerned, but first of all in essence. It would not be a bad idea to exchange views on this matter today.

The Constitutional Commission can and must select a mechanism that can gain the support of society and strengthen concord and stability.

I also deem it necessary to voice a number of considerations regarding the Congress of People's Deputies, inasmuch as there have been many and varied insinuations, I would even say, in the mass media. Essentially,

this is—well, this is my view—an artificial, supraparliamentary entity that has not taken root in international practice. Its very existence is a constant basis for upsetting the balance between legislative, executive, and legal authorities. The artificial dichotomy of legislative power inevitably provokes it into interfering in the competence of the executive and even of the judicial authority.

I think that as an all-Russian rostrum that was used at the initial stage of the formation of a civic society in Russia, the Congress played its role, undoubtedly a positive one. Now its fate must be determined unequivocally, but not by someone like the sailor Zheleznyak [who headed the detachment that dispersed the Constituent Assembly in 1921], but by the new constitution, which possibly will be adopted by referendum.

This is how one can and must comment on my statement with regard to the Congress of People's Deputies. This path cannot be ruled out. I have repeatedly expressed this view during my trips.

Esteemed Constitutional Commission members: A period that is, perhaps, the most crucial for our work is about to begin. You have been given a detailed plan of the commission's work up to the end of the year. Naturally, life may introduce its own changes, but the main thrust is the specific work for completing the draft constitution. Let us work openly, democratically, without keeping at arm's length specialists and scientists—even those whose opinions vary—but on the contrary, inviting them to cooperate with us. It is only then that a constitution worthy of Russia and of the reforms we currently are carrying out as a joint effort will be created. I am convinced that a constitution that will ensure the irreversibility of freedom and democracy in Russia will be supported and accepted by the people.

'Decisive' Return to Commission

OW2907200292 Moscow INTERFAX in English
1926 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] The Russian Federation Constitutional Commission meeting which took place in the Kremlin on July 29th signified an energetic attempt by President Yeltsin to finally give the Constitutional process a kick start, in the opinion of one of its members and Chairman of the Parliamentary Committee for Human Rights, the well known human rights champion Sergey Kovalev. Kovalev told an INTERFAX correspondent that he viewed the head of state's return to the Constitutional Commission as a positive step at a decisive moment. "The reforms are in need of a sound legal base", said Kovalev.

Kovalev said that the current Constitution of the Russian Federation contained no less than 50 major contradictions. That is why it is so inefficient. A fundamental law must be adopted, one which will last not for one and a half years, not from congress to congress, but for "at

least two dozen of these transitional years", said the Constitutional Commission member.

He aired his grievances over the debate centred on the terms "Presidential" or "Parliamentary" republic by which Russia would be known when the new Constitution is adopted. Kovalev considered it important that there be a legislatively enforced principle regarding division of power. Executive powers are currently in urgent need of reinforcement. The whole problem is for the new constitution to use parliament, itself limited in its prerogatives by law, as a harsh counterbalance to the growing powers of the president.

At the same time, Kovalev called a lot of what parliament accepts as being "incapable of crawling through any gates" i.e. unworkable. As an example of decisions that conflict with elementary freedoms, he referred to the position taken by the Supreme Soviet in relation to the press.

Further Reaction on IZVESTIYA Resolution

Media Chairman Commentary

PM2907155592 Moscow IZVESTIYA in Russian
30 Jul 92 Morning Edition p 2

[Commentary by Vyacheslav Bragin, chairman of the Russian Federation Supreme Soviet Committee on the Media: "It is for the Courts and No One Else to Pronounce on the IZVESTIYA Affair"]

[Text] During the discussion of the draft resolution on IZVESTIYA at the Russian Federation Supreme Soviet session many people's deputies pressed members of parliament and its leaders not to make decisions off the cuff, so to speak, not to hurry events, not to inflame the situation—to consider the matter thoroughly before acting in breach of the law. Legal questions cropped up in connection with the IZVESTIYA situation that the Supreme Soviet should not have interfered in. It is for the courts and no one else to decide. Unfortunately, the majority of deputies, members of the Supreme Soviet did not listen.

If you compare the text of the decision adopted "sight unseen" [s golosa] at the session with the official resolution, you can easily see significant, even substantive differences, which shows that the procedure for the adoption and signing of such an important document was breached. But the most important thing is that the resolution retains the violations of the law on the media and some other Russian Federation laws that were mentioned at the session.

Nonetheless the resolution was adopted. It says that it comes into effect the moment it is published and it makes it incumbent on the Supreme Soviet committees on the media and on legislation (although these bodies were not named at the session as implementers of the resolution) and the Press and Information Ministry to

"take steps to bring the IZVESTIYA founding documents and registration documents into line with existing legislation." We, of course, must implement the resolution of the supreme organ of state power. But, and I want to specially emphasize this, we have not altered our attitude toward the adopted document, which we expressed at the session and prior to it. We sincerely regret its appearance. It puts our committee in a very awkward position.

The existing newspaper's collective intends to retain its status as an independent publication and rejects the very idea of switching to someone's tutelage. IZVESTIYA does not have a burning desire to work with a founder-destroyer like our Supreme Soviet.

Whether or not the initiators of the campaign against IZVESTIYA realized that the resolution essentially compels the Supreme Soviet to form a new newspaper—with new people and a new editor. In our view it is basically a bad idea. The Supreme Soviet is already the founder of several press organs, in particular ROSSIYSKAYA GAZETA. The committee's viewpoint is that organs of power should not be founders of media and must renounce this in the future. But now the taxpayer will have the long-term burden of yet another paper. It is no exaggeration to say that it is an arrogant project based on a personal battle. It is a great pity that such methods can be used in state politics.

We know that people's deputies are preparing an appeal to the Constitutional Court on IZVESTIYA. As for me personally, if they ask me to sign the petition I will certainly do so.

Yeltsin 'Efforts' Welcomed

PM2907155992 Moscow IZVESTIYA in Russian
30 Jul 92 Morning Edition p 1

["Appeal From the International Committee for the Protection of the Freedom of the Press to the President of Russia. To the Venerable Boris Yeltsin, President of Russia"]

[Text] Esteemed President Yeltsin!

On behalf of the International Committee for the Protection of the Freedom of the Press, which brings together 34 journalists organizations from five continents, I welcome your efforts to maintain IZVESTIYA's independent newspaper status and appeal to you to oppose any attempts by the parliament or any other government organs to establish control over the newspaper.

The whole world's attention is riveted to Russia as it tries to resolve this problem.

The status of the mass media in a country is a measure of freedom in that country. The freedom of the press means the freedom of the people.

The emergence of freedom of expression and a free press in Russia were for the whole world a symbol of the

historic changes in your country. Any step backwards toward the tyranny of the past would be a tragic mistake. We support you in your efforts to prevent such a step backwards from being taken.

Respectfully

[Signed] Harold Anderson, chairman of the International Committee for the Protection of the Freedom of the Press.

Resolution Not As Voted For

PM2907160192 Moscow IZVESTIYA in Russian
30 Jul 92 p 1

[Feature entitled: "The Violence Against IZVESTIYA's Independence Is a Cynical Challenge to Russian Democracy"; first paragraph is introduction]

[Text] A reminder. The question of IZVESTIYA was discussed by the Russian Supreme Soviet 17 July. Today we reproduce the wording of the resolution which the speaker proposed and for which parliament voted "sight unseen" ["s golosa"] (in itself a most blatant violation of the standing orders). We also publish the official text of the resolution, which the Supreme Soviet leadership took almost two weeks to prepare. Which is no surprise, incidentally. A great deal of work has been done. Readers have the opportunity to compare the texts and see how they differ not only in form but also in substance. The only thing that has remained unchanged is the Supreme Soviet's desire to get its hands on IZVESTIYA—contrary to the law, the wishes of the journalist collectives, and the interests of 3 million subscribers.

"This Is What Parliament Voted For"

The wording of the resolution which the speaker proposed and for which deputies voted:

"...with the first point reading: 'IZVESTIYA is the newspaper of the Russian Federation soviets of people's deputies.'... The second point is: The Ministry of the Press, the Ministry of Justice... considering the serious violations during registration, should be instructed to legalize this newspaper in the proper way."

"And This Is What Emerged 10 Days After the Vote..."

Russian Federation Supreme Soviet Resolution "On IZVESTIYA":

In accordance with the instructions of the Sixth Congress of Russian Federation People's Deputies, the Russian Federation Supreme Soviet has examined the materials submitted by the deputies' commission on checking IZVESTIYA's founding documents. The Russian Federation Supreme Soviet notes that publication of the newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR (founded by the USSR Supreme Soviet Presidium) published by the "Izvestiya Sovetov Narodnykh Deputatov SSSR" State Publishing House,

which was under the jurisdiction of the USSR Supreme Soviet Presidium, was suspended 23 August 1991.

Using property belonging to the "Izvestiya Sovetov Narodnykh Deputatov SSSR" State Publishing House and certain previous publication information about the newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR, the journalists' collective—unknown to the RSFSR Supreme Soviet and its Presidium—set up a new independent newspaper, IZVESTIYA, giving it virtually the status of a private newspaper. The IZVESTIYA Editorial Office is currently continuing to avail itself of the state publishing house and other state property on the previous terms.

The Russian Federation Supreme Soviet supports the deputies' commission conclusions that violations of the USSR Law "On the Press and the other Mass Media" (Articles 7 and 13), which was in force at the time, were committed during the founding and registration of the new newspaper IZVESTIYA. (The Russian Federation Law "On the Mass Media" came into force 13 February 1992—VEDOMOSTI SYEZDA NARODNYKH DEPUTATOV ROSSIYSKOY FEDERATSII I VERKHOVNOGO SOVETA ROSSIYSKOY FEDERATSII, No. 7, 1992, Article 300).

Guided by the First Congress of RSFSR People's Deputies resolution "On the RSFSR Mass Media," carrying out the instructions of the Sixth Congress of Russian Federation People's Deputies, and with a view to providing broader coverage of the activities of representative bodies of state power at all levels under the conditions of the implementation of the Federation Treaty, the Russian Federation Supreme Soviet **resolves** that:

1. Resumption of the publication of a newspaper of representative bodies of state power on Russian Federation territory shall be resumed. It shall be known as:

IZVESTIYA SOVETOV NARODNYKH DEPUTATOV ROSSIYSKOY FEDERATSII.

Its publication shall be based on the "Izvestiya Sovetov Narodnykh Deputatov SSSR" State Publishing House and the former newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR.

2. The Russian Federation Ministry of the Press and Information, together with the Russian Federation Supreme Soviet Committee for the Mass Media, Ties With Public Organizations and Citizens' Mass Movements, and the Study of Public Opinion and the Russian Federation Supreme Soviet Committee on Legislation shall take measures to bring IZVESTIYA's founding and registration documents into line with existing legislation.

3. This resolution shall come into force from the moment it is published.

[Signed] R.I. Khasbulatov, chairman of the Russian Federation Supreme Soviet

[Dated] Moscow, House of the Soviets of Russia, 17 July 1992

Resolution 'Obvious Forgery'

PM2907192792 Moscow IZVESTIYA in Russian
30 Jul 92 Morning Edition p 1

[Article by Vladimir Nadein: "Khasbulatov Will Not Succeed in Returning IZVESTIYA to the Nomenklatura Stable"]

[Text] That parliament should have gone down in history. And it did. Its free and easy manner disarmed the sternest critic. Its chairman's subtle humor was a providential gift for the whole of the working intelligentsia. Our people were quite right to stay awake beyond midnight for fear of missing a pearl of wisdom. Even abroad, where mature parliamentarianism is commonplace, they came to speak in hushed tones about the multitude of flowers in our parliamentary herbarium.

But what has been happening of late astonishes not only the naive foreigners, but also Russia, which is inured to these things. The Supreme Soviet knows that it has no right to judge IZVESTIYA for breaking the law during registration. Only the court dare judge.

The Supreme Soviet does not have the right to lay claim to IZVESTIYA's property, because it is a state enterprise in the charge of the Russian government.

The Supreme Soviet should not have adopted the resolution, because the draft document was rejected by the special parliamentary committee on the media (Chairman V. Bragin).

The Supreme Soviet has no right to resume publication of the paper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV ROSSIYSKOY FEDERATSII, since it has no licence or other documents authorizing it to publish.

The Supreme Soviet has no right to publish the new paper "using the facilities of IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR" without the consent of IZVESTIYA—sole legitimate heir to that publication, which dated from March 1917.

The resolution lies when it talks about our newspaper's private status. We have neither shared nor received anything. We have nothing except modest "state budget" pay. And we claim ownership only in accordance with the rules whereby and to the extent that the Likhachev Plant people lay claim to their Likhachev Plant, sovkhov workers lay claim to their sovkhov, and cobblers lay claim to their workshop.

What is published in the guise of a Russian Federation Supreme Soviet resolution is an obvious forgery since it has been demonstrated irrefutably that the deputies voted neither for the text in question, nor for its specific points.

This entire series of cynical assaults on the law was dealt out in a deliberate and steady manner by leading figures in the Supreme Soviet. The decoy maneuvers do not count. What of the fact that Soviet of the Republic Chairman N. Ryabov pledged his love for our newspaper

at a meeting with IZVESTIYA staff? There were no simpletons there who believed that this chairman would actually "never in any circumstances allow" the question of IZVESTIYA to be voted on at the very end of the session and "by hearsay."

No one in the editorial office believed the reports about the parliamentary speaker's peaceable nature either. A prominent lawyer and honorary member of the Russian General Prosecutor's Office, Chairman Khasbulatov promised President Yeltsin that he would take a paternal view of IZVESTIYA because he had a firm plan on the calendar: To prevent a third and decisive summons to court on a charge of lying. The best way to quiet the plaintiff is to nail him in a coffin and send him to the graveyard.

Which is what the Supreme Soviet resolution envisages.

Read carefully, esteemed venerators and maligners of IZVESTIYA. There is much in the lines and even more between the lines. Esteemed lawyer, esteemed economist, esteemed deputy of nonexistent Chechen-Ingush Autonomous Soviet Socialist Republic, our dear Chairman Khasbulatov has not gotten carried away, has not lost his head, has not fallen intellectual victim to temporary fatigue. In the deliberately vague, understated phrases of the vindictive resolution he charts death and destruction for the newspaper he loathes. And he will not deviate from his goal.

No parliament in the world has as many publications of its own as the Russian Supreme Soviet. Actually, no democratic parliament would be allowed to keep pet newspapers at the taxpayer's expense. The U.S. Congress does not have its own newspaper, the German Bundestag does not have one, and London manages without one too.

Only Chairman Khasbulatov feels deprived. Now when the resolution is implemented everything will be beautiful: ROSSIYSKAYA GAZETA, which has already taken the bait, at his head and IZVESTIYA, back in the nomenklatura stable, at his heels.

But it will not come to pass. No one will take away from us the freedom we legally and honestly obtained on 23 August. By their resolution on IZVESTIYA the leaders of parliament said more about themselves than about IZVESTIYA.

Shakhray 'Willing To Support'

*PM2907163992 Moscow IZVESTIYA in Russian
30 Jul 92 Morning Edition p 2*

["Own Information" report: "Sergey Shakhray Sees Parliament's Resolution on IZVESTIYA As Unconstitutional"]

[Text] Russian People's Deputy Candidate of Juridical Sciences Sergey Shakhray believes that the Supreme Soviet resolution on IZVESTIYA could be a case for investigation by the Constitutional Court.

This is suggested, in Shakhray's opinion, by at least two fundamental violations of the Constitution in the adopted document. First: The question of the procedure for founding a newspaper and its property status lies outside the jurisdiction of the legislative authorities and can only be examined by the courts—arbitration or civil. Second: The Supreme Soviet is not entitled to demand that the Ministry of Press and Information reregister a newspaper, since all government structures are subordinate to the president alone.

So by its decisions the Supreme Soviet ignores the principle of separation of power: legislative and judicial in point one of the resolution and legislative and executive in point two. Moreover, there is an encroachment on the independence of the fourth estate and on citizens' right to have free, objective information, including on the activities of the legislature. The latter is scarcely possible if the newspaper is subordinate to the legislative organ.

Sergey Shakhray said he was willing to support IZVESTIYA's interests in the Constitutional Court, which a number of Russian people's deputies intend to petition.

Filatov Questions Resolution

*PM2907165392 Moscow IZVESTIYA in Russian
30 Jul 92 Morning Edition p 2*

[Report by Sergey Chugayev on interview with Sergey Filatov, first deputy chairman of the Russian Federation Supreme Soviet; place and date not given: "'I Do Not Intend To Dispatch the Militia to IZVESTIYA'—States Sergey Filatov, First Deputy Chairman of the Russian Federation Supreme Soviet"—first two paragraphs are introduction]

[Text] According to the Russian Federation Supreme Soviet's resolution on the newspaper IZVESTIYA, which has been published, the resolution has already entered into force. However, the text of the document, in addition to other contentious features contained within it, fails to give a clear answer to the plain, everyday, but for all that no less acute question of how the parliamentary leadership intends to put it into practice, particularly given the fact that the IZVESTIYA collective has flatly turned down the title proposed by Khasbulatov. Can we expect an OMON [Special Purpose Militia Detachment] at the editorial office tomorrow or do the leaders of parliament plan to resolve the problem by other means?

The editorial office turned for clarification to Russian Supreme Soviet First Deputy Chairman S. Filatov, who is in charge of parliament while Khasbulatov is on vacation. During the debate that developed over IZVESTIYA in parliament, Filatov himself was on vacation, and therefore, as became plain during our conversation, much in the text of the resolution was evidently a source of sincere bewilderment to the first deputy chairman of the Supreme Soviet.

[Filatov] I do not know why the Supreme Soviet should adopt such resolutions. In order to create its own new newspaper it does not need at all to break up one that is running. For some reason, when we set up ROSSIYSKAYA GAZETA, we did not pursue that route. We did not take over SOVETSKAYA ROSSIYA to publish our own newspaper "on its basis." It is a good and a necessary thing, of course, to have a newspaper of the Soviets of People's Deputies of Russia. And ROSSIYSKAYA GAZETA is the newspaper of parliament and operates on a statewide level. But I am against doing it on "the basis" of a working newspaper, particularly as we did not claim the property of the USSR Supreme Soviet at the time of IZVESTIYA's reregistration. Those claims were submitted after the breakup of the USSR, when IZVESTIYA was already a new legal entity and had already established relations with the State Committee for the Management of State Property, whose property the editorial office used for its own operation. That is the first point.

Second, we, that is parliament, will not look very good politically after passing such a resolution. Why should we not then look at all the other newspapers that rejected their founders after the SCSE [State Committee for the State of Emergency] and their closure and reopening. However, the legislators are making no claims on them. The claims apply to only one newspaper. I can understand some other organization wrangling with a newspaper, but not the country's supreme legislative body. But the legislature, which should maintain legality in the country, is making such an exception for just one newspaper of interest to it. But there is, of course, much that passeth all understanding here.

There is a lot that is unclear in the resolution. It is understandable, say, when it talks about publishing a new newspaper on the basis of the publishing house. The newspaper will conclude an appropriate contract with the publishing house. But what is meant by "on the basis of the former newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR?"

However, the country's supreme body of state power has adopted a decision, and that decision must be respected. I think that the resolution can only be implemented by civilized means. The new newspaper being created by decision of the Supreme Soviet should first be legally registered and should receive the status of a legal entity. And only then can such a legal entity make property claims upon IZVESTIYA. If IZVESTIYA does not agree to its claims, the matter should be referred to the Court of Arbitration, which should deliver a final ruling. But that is only one way, my standpoint. I do not intend to dispatch the militia to IZVESTIYA and evict the editorial office, particularly as the resolution says nothing about that. Perhaps someone else intends to...

Poltoranin on Case

PM2907204192 Moscow KOMSOMOLSKAYA
PRAVDA in Russian 30 Jul 92 p 1

[Interview with Russian Minister of Press and Information M. Poltoranin by I. Sichka: "IZVESTIYA Can Rest Easy. For The Time Being"—first paragraph is introduction]

[Text] As we reported earlier, the Supreme Soviet resolution on IZVESTIYA came into force yesterday. Our correspondent asked Russian Minister of Press and Information Mikhail Poltoranin to comment.

[Sichka] Mikhail Nikiforovich, you publicly promised to appeal to the Constitutional Court on behalf of the government.

[Poltoranin] Yes, we prepared an appeal and I obtained the authority to sign it at a government collegium session. But it transpired that the Supreme Soviet's baby had been substituted. They gave birth to one monster on 17 July, and yesterday quite a different one appeared in the press. Another monster, though. At the session the deputies voted to change the status of IZVESTIYA, at least that is what I heard. But the written text contained only property claims. And since the dispute is neither legal nor political, it is the prerogative of the ordinary courts and there is no need to appeal to the Constitutional Court.

[Sichka] What fate lies in store for IZVESTIYA?

[Poltoranin] I believe the IZVESTIYA staff can rest easy. For the time being. Our lawyers have carefully analyzed the text of the resolution. It talks of creating a new newspaper, IZVESTIYA NARODNYKH DEPUTATOV ROSSIYSKOY FEDERATSII, which we are instructed to register (if the application arrives at the ministry). It is to be published using the facilities of the "Izvestiya" Publishing House. No problem there, the publishing house is capable of publishing the old and the new IZVESTIYA. The most the Supreme Soviet can do in accordance with this resolution is demand that the publishing house cancel the contract with IZVESTIYA on leasing editorial premises and put the editorial board on the street. I do not think it will come to that. But if that happens we have various options. For example, we can move the editorial staff of the newspaper founded by the Supreme Soviet out of the "Prest" Publishing House and give the premises to IZVESTIYA. Although the journalists there are not involved and I do not want to offend any of them.

[Sichka] Does this mean that the IZVESTIYA affair is over?

[Poltoranin] One would like the business to end, of course. But I fear the deputies, when they return from their vacation, will want to return to this resolution and review it and make it tougher.

[Sichka] Since that possibility has not been ruled out, I would remind you that you hinted at the possibility of

steps by the president to protect IZVESTIYA. What was Boris Yeltsin prepared to do?

[Poltoranin] If the resolution had come out in the form in which it was presented at the session the president was prepared to confirm IZVESTIYA's independent status by decree.

[Sichka] And how would events have developed then?

[Poltoranin] Then the Supreme Soviet would have had to contest the president's decree in the Constitutional Court.

International Affairs**370 Troops To Replace Canadians in Sarajevo**

LD2907190292 Moscow Radio Rossii Network
in Russian 0900 GMT 29 Jul 92

[Text] Approximately 370 Ukrainian servicemen left Belgrade for Sarajevo today. They will replace Canadian servicemen who are in the UN peacekeeping force guarding Sarajevo Airport, where aid cargoes are being brought in for Bosnia and Hercegovina.

The first group of Canadians will leave Sarajevo today, according to a Radio Liberty report.

Lithuanian Delegation Visits To Prepare Treaties

LD2807200792 Kiev Ukrayinske Telebachennya
Television Network in Ukrainian 1600 GMT 28 Jul 92

[Text] Ukraine and Lithuania intend to prepare and sign in the nearest future over 20 agreements and treaties. First at issue is a treaty on friendship and cooperation between the two states, stated Rokas Bertanas, head of the Lithuanian Government delegation, on the results of the visit to Kiev. He also noted that during the negotiations in the capital of Ukraine, the problems of mutual payments after Lithuania introduces its own monetary unit were discussed.

Iranian Delegation Arrives; 'Frank' Talks Held

AU2807184792 Kiev Radio Ukraine World Service
in Ukrainian 1200 GMT 28 Jul 92

[Text] On 27 July, Supreme Council Chairman Ivan Plyushch received a government delegation from the Islamic Republic of Iran. [Words indistinct] was given to the cooperation between the two countries. In the course of a frank conversation, the guests were also familiarized with the role of the Ukraine Supreme Council in the implementation of political and economic reforms in our independent state and with its legislative activity.

Javad Angazi, leader of the delegation and member of the Iranian parliament presidium, pointed out, in particular, that Iranian President Ali Akbar Hashemi-Rafsanjani is planning a trip to Ukraine.

Romanian Reportage on Voronko Visit

WA2907173692

For reportage on the visit by Anatoliy Nikolaevich Voronkov, minister of Trade and Tourism, to Romania, including reports on his talks with Romanian Prime Minister Theodor Stolojan, see the Romania section of the 29 July East Europe DAILY REPORT.

National Affairs**Fokin: State Grain Imports May Be Unnecessary**

OW2907194292 Moscow INTERFAX in English
1905 GMT 29 Jul 92

[Report by Andrey Pershin, Andrey Petrovsky, and Vladimir Shishlin from "Presidential Bulletin"; transmitted via KYODO]

[Text] Prime Minister Vitold Fokin is convinced that, if the farmers sell the state at least 15m [million] tonnes of grain (the state has ordered 17m), Ukraine will not have to import any grain.

Experts in Kiev are now carefully trying to check how realistic the premier's expectations are. Last year there were shortages of bread and fodder in some parts of the republic.

This year the cabinet has decided to free bread prices from August 1 but canceled the decision after experts had estimated that, if that happened, a loaf would cost between 30 and 36 rubles. The government allocated 16bn [billion] rubles to subsidize the production of bread and decided not to raise its prices.

Nevertheless independent economists think that even this decision cannot remove the dilemma the cabinet faces: either to raise bread prices or import grain.

So far there have been no exact figures on the progress of the harvesting campaign, which means it is impossible to check the accuracy of the prime Minister's forecast. At the moment harvesting is in full swing in Kherson Region in the south, it is going on on a fairly large scale in the Dnieper areas and Poltava Region, but has barely started in Lvov Region. Certain hopes are being built on private farms, which are growing in number in spite of the general problems facing the agro-industrial complex.

However some independent experts doubt the accuracy of the Premier's calculation, thinking that the situation may be far less favorable than he expects it to be.

IF [INTERFAX] Note: There were over 10,000 private farms in Ukraine by July 1. At the beginning of the year their number was a mere 2,000 but went up to 7,000 by April after an agrarian code and some other legislation had been passed in the republic. A survey of arable land has been made and a reserve of 3.1 million hectares formed for private farms. There has been much greater demand for land allotments to be used as gardens, hayfields, or pastures. The state has set up a fund of 1bn rubles to subsidize private farms. Nevertheless a mere 14% of a total of some 60,000 applications for land allotments made by individuals, organizations, and farms have been granted so far.

Further on Expectations

LD3007104692 Kiev Radio Ukraine World Service
in English 0000 GMT 29 Jul 92

[Text] The government I have the honor to head will not allow the prices to rise on bread, declared Prime Minister Vitold Fokin at a meeting with representatives of Ukraine's president in the regions which was held in Kiev on 27th July. Present at the meeting were also officials of a number of ministries and departments. Its' participants pointed out (that) despite the fact that the expected harvest may exceed last year's by one million and probably by two or even three million (tonnes), the situation in the republic is not simple. The state order makes up 17 million tonnes of grain. It is also necessary to lay into state resources 1.5 million tonnes. All in all it is necessary to purchase 18.5 million tonnes, but so far only 11.8 million tonnes have been contracted.

Subsidies To Be Allocated

LD2907190392 Kiev UKRINFORM in Ukrainian
1152 GMT 29 Jul 92

[From the Press Service of the Ukraine Prime Minister]

[Text] With the aim of restraining increases in retail prices for bread and bread products, the government has extended until 1 October 1992 the effectiveness of the clause and decision of Ukraine's Cabinet of Ministers of 30 June, No. 359, retaining the existing maximum coefficient on price increases for bread made from first and second class wheat meal, and rye bread, and bread and bread products for diabetics. It has been recommended that the Council of Ministers of the Republic of the Crimea, and state administrations in oblasts and the cities of Kiev and Sevastopol review the matter of establishing, by 1 October, regulated retail prices for bread and bread products made from highest-quality meal, taking into consideration the lowering of the level of existing free prices by 20 percent. The Finance Ministry, together with the Economics Ministry, has to find additional costs to allocate subsidies to bread-baking enterprises in compensation for expenses in the production of bread and bread products.

Combine Shortages Complicate Kharkov Harvest

PM3007103792 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1700 GMT 25 Jul 92

[From the "Novosti" newscast: Video report by V. Pidchenko and A. Dovgal]

[Text] [Pidchenko] Here we are in southern Kharkov Oblast, in Sakhnovshchinskiy Rayon. This is the beginning of the grain production line from which the people of Kharkov have to obtain 1,130,000 tonnes of grain for the state order. However, how can they do that when farms are experiencing unprecedented holdups with supplies of fuel and spare parts, when the 180 new "Don's" on which the oblast's machine operators are pinning

their hopes haven't got a full supply of reapers? The combines are at work 20 hours a day, operating at the slowest possible speed, moreover, in order to ensure that the golden grain isn't left in the fields.

How much is grain now in Ukraine?

[V.S. Voznyy, deputy to the Ukrainian president's representative in Kharkov Oblast] Today our farms and farmers are selling grain at 9.60 rubles [R] per kilogram.

[Pidchenko] How much is it a tonne?

[Voznyy] R9,600.

[Pidchenko] I know that our neighbors to the south are getting R17 and R18 per kilogram.

[Voznyy] Our oblast and republic have taken a number of concrete steps making it possible to stabilize the level of grain purchase prices. Today the most important thing for us, particularly for rural workers, is primarily to harvest the grain without losses. Everyone is perfectly well aware that if we do not learn to safeguard every kilogram of this grain, tomorrow it will go from R6 to R20 and then to R50, thus causing a never-ending price spiral. We don't want that.

Air Defense Center Opens to Journalists

LD2907215192 Kiev UKRINFORM in Russian
1531 GMT 29 Jul 92

[by UKRINFORM correspondent Nikolay Zayka]

[Text] Kiev, 29 July—At 1517 today, Ukraine's airspace border was crossed by two planes—a military plane returning from Russia to its permanent base, and a passenger plane on the Odessa-Istanbul route. Such information on the situation in Ukraine's skies is continually coming through to the command point of Ukraine's air defense. Kiev and foreign representatives of the mass media were able to be convinced of this, having visited here at the invitation of the air defense troops' command.

Journalists, who were allowed here for the first time, were given the opportunity to familiarize themselves with the three-story building, concealed below ground, with its equipment and organization of combat duty. Then Lieutenant General Mikhail Lopatin, air defense troops' commander, and his deputies talked about the tasks that are resolved by troops' personnel; cooperation with air defense facilities in CIS countries; and measures being taken to further raise combat readiness in units and subunits and to perfect special training for personnel.

A special place was allocated to problems of maintaining discipline, good organization and order among the troops, and of strengthening patriotic education. In particular it was stressed: Despite the fact that Ukraine's young people now serve only within the bounds of the republic, there continue to be cases of desertion, unwarranted departures from subunits, and other crimes and

transgressions. It was also noted that it is first and foremost the parents of servicemen who wish their children to do military service near home who provoke them into unlawful actions.

Supreme Soviet Retirement Expected Next Spring

OW2907211892 Moscow INTERFAX in English
1928 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] "The regular session of the Ukrainian Supreme Soviet should discuss parliament's retirement," declared Chairman of the Ukrainian Republican Political Party Mikhael Gorin in an interview with the "VECHERNI KIEV" newspaper. According to Gorin, "parliament no longer has a dynamic policy for making appointments." The Republican leader predicted that the Supreme Soviet will retire next spring.

The presidium of the Policy Council of the Socialist Party of Ukraine (SPU) came forward with a statement condemning the campaign for the dissolution of parliament. In accordance with a report from the Kharkovnovosti agency, the SPU expressed its belief that this could lead to the "creation of a national dictatorship in Ukraine and the removal of the president."

Opposition Regroups Against Current Government

PM3007075592 Moscow IZVESTIYA in Russian
29 Jul 92 Morning Edition p 2

[Sergey Tsikora report: "While the President Is on Vacation, the Opposition Gathers Forces"]

[Text] Kiev—After failing in their attempts to secure the government's resignation via parliament, leaders of constructive opposition movements and parties have decided to regroup their forces on the move and prepare a new attack on two fronts at once—against the government and the Supreme Soviet.

V. Chornovil, one of "Rukh's" cochairmen, chaired a session of the executive body of this still numerous organization. It discussed the issue of coordinating Ukrainian democratic forces' coming actions. The lack of coordination of a number of actions has resulted in painful political failures for the opposition.

The idea of creating a congress of national-democratic forces has been mooted in order for democrats to join ranks. The initiative for its first assembly to be held in the very near future came from the Republic and Democratic Parties and the Union of Ukrainian Students. However, the "Rukh" leadership regarded the idea of the congress with a certain amount of suspicion, viewing the new organization as a rival capable of seizing a number of "Rukh's" fundamental functions.

Nonetheless "Rukh's" executive body has decided to "back the initiative for a congress of national-democratic forces on principles of statehood and democracy." Provided that the new organization's efforts are channeled above all into resolving fundamental tasks, which include, first and foremost, the "resignation of Fokin's anti-people government and the creation of a government of national accord," the collection of signatures "for an all-Ukraine referendum on the early suspension of the Supreme Soviet's powers" and the latter's replacement with a "professional parliament elected on a multiparty basis." "Condemnation of the president's cadre policy, which manifests itself above all in his reliance on former Communist Party functionaries," and the replacement of most of the president's representatives in the oblasts and rayons with new people, should be ranked among the constructive opposition's new demands. As for the draft of the new constitution that has been submitted for preliminary discussion, in the "Rukh" Executive Committee's opinion, it must be adopted by a "new Ukrainian parliament or a constitutional assembly."

The Socialist Party evaluated the implementation of these proposals as a course leading to blatant political coup in the state, and the Ukrainian president has been publicly warned about this. However, so far L. Kravchuk has not responded to this warning.

However, preparations have begun for an all-Ukraine referendum on the early suspension of the powers of the Ukrainian Supreme Soviet. The question that a number of movements intend to put in the referendum has already been formulated: "Are you in favor of the early suspension of the powers of the Ukrainian Supreme Soviet and elections of a new Ukrainian parliament in 1993?" If the referendum goes ahead, the answer "yes" or "no" to this question will change the political situation in Ukraine.

The "New Ukraine" association and the Democratic Revival Party of Ukraine—two new influential forces on the republic's political arena—are frankly, in solidarity with "Rukh's" hardline position toward the incumbent Cabinet of Ministers and the Ukrainian Supreme Soviet.

Surprisingly enough, given the opposition's political activity, L. Kravchuk has calmly left for the Crimea on his first vacation as president. Today his rating is higher than the entire opposition's combined rating. However, in the fall, the president will require a lot of strength. The republic is faced with fresh price hikes, unemployment is rising, the peasantry's behavior is unpredictable [neprogramiruyemy], and the difficulties involved in the introduction of a national currency are obvious today.... A mistake in resolving any of these issues could rapidly change the political situation in the republic.

Republican Party Official on Situation, Tasks

AU3007121192 Kiev MOLOD UKRAYINY
in Ukrainian 23 Jul 92 p 2

[Interview with Oleh Pavlyshyn, deputy chairman of the Ukrainian Republican Party (URP), by Olena Hubina; place and date not given: "URP: In the Channel of National Priorities"]

[Text] The Ukrainian Republican Party (URP) has experienced true cataclysms over the past few months. Its first chairman, Levko Lukyanenko, whose authority influenced the growth of its numerical strength and popularity, went to Canada. At the party's third congress, a split occurred and the group of Khmara left the ranks of the URP. The party's new chairman, Mykhaylo Horyn, quit his post of cochairman of Rukh [Ukraine's People's Movement for Perestroika], having thereby shown a "separate road" for the URP. However, what is it going to be like? What positions will take shape on the eve of adopting a new law on multiparty elections and in the course of preparing for forthcoming elections to Ukraine's parliament? This has been touched upon in the conversation with Oleh Pavlyshyn, deputy chairman of the Ukrainian Republican Party.

[Hubina] Until recently, the URP was considered to be one of the most influential political forces in Ukraine. However, the association "Nova Ukrayina" [New Ukraine] has emerged. It received support from business circles and declared quite resolutely that it was ready to lead the opposition. What will be, in your opinion, the URP's position in the political arena?

[Pavlyshyn] In our opinion, the stratum of people who side with the URP has not decreased. It is true that, today, one can observe dislike for all parties in general, and associations, such as "Nova Ukrayina," seem to be more attractive. I believe that our party may become one of the centers and catalysts for the union of national-democratic forces. A differentiation of political forces in Ukraine is now under way, and we have, in fact, several political centers that will mass these forces around themselves. This is, first and foremost, the Socialist Party of Ukraine. Then there follows, in terms of views and the type of members, the "Nova Ukrayina" association. There are people who will group around centrist positions—these are the greater part of Rukh with Chornovil at the head; there is an association of national democratic forces that will be a little more to the right-hand side within this spectrum; and also extreme nationalists groups that make up the Ukrainian Nationalist Union and the Ukrainian Nationalist Assembly. Time will show whether these forces of general democratic denomination, such as "Nova Ukrayina" and national democratic forces, will manage to unite at forthcoming elections.

[Hubina] Does the URP remain in opposition and, if so, to whom?

[Pavlyshyn] It was in opposition when there were different times, when the enemy was obvious—the totalitarian system and the empire. Presently, there is a more differentiated approach to political activity. The URP was, perhaps, the first to demand the resignation of Fokin's government. Besides, we are permanent opponents regarding the Supreme Council and believe that, in its present form, it cannot fulfill its functions. That is why we will seek its replacement through elections. We want it to become a two-chamber National Assembly, as is implied in the draft of a new Constitution of Ukraine. We are in favor of creating a government that will be able to carry out economic reforms and do this within the channel of national priorities—that is to say, national entrepreneurship, science, and industry. Regarding the president, we repeatedly stated that we would support those steps of his that promote the building of the Ukrainian state and, at the same time, we will oppose those who do harm to it. We already adopted such decisions and came out against the president's actions. This concerned the removal of the tactical nuclear weapons from Ukraine's territory, the nomination of presidential representatives in oblasts, and the factual delay by the president of the replacement of Fokin's government.

[Hubina] Has the exit of Khmara from the URP strengthened the situation within the party or, on the contrary, further exacerbated it?

[Pavlyshyn] This exit has simply sorted out many things. We have specified our positions and the style of work. We can now pursue our own policies, each of us, and time will show who is going to win more supporters.

[Hubina] What are your present relations with Rukh? Has the withdrawal of Mykhaylo Horyn from the cochairmanship not broken that last bridge that linked the URP and Rukh?

[Pavlyshyn] The leadership of Rukh—in particular, Mr. Chornovil—has clearly chosen the course toward the departization of Rukh and, in fact, toward the creation of a party made up of non-party people. It is because of this that purely organizational differences started between the URP and Rukh. It is obvious that we will simply be unable to work in an organization where we have no influence and where our opinion is not taken into account.

[Hubina] At the same time, while advancing your own variant of a new government, you also included in it some leaders of Rukh—Porovskyy and Burlakov.

[Pavlyshyn] Rukh continues to be an inhomogeneous association of people with dissimilar political views. There are also people there who are close to the URP in terms of their political outlook and ideology. Moreover, we do not deny the fact that there are many efficient people in Rukh, people who are able to build our state. It is precisely for this reason that we nominate them. It is not the personality that is essential for us, but the principles to which he adheres.

[Hubina] You criticized the principles of the former Vice Prime Minister Lanovyy regarding conducting reforms, as you believed that his program was excessively oriented toward relations with Russia and did not protect from the interference of the West. However, what principles of economic reform are envisioned by those who developed the URP's economic program?

[Pavlyshyn] There are several of them. First of all, it is ensuring economic security of Ukraine and rendering it independent of external factors. This can be done by reorienting external economic ties toward internal ones. Unfortunately, no such purposeful policy is being presently pursued; however, it is quite plausible in many branches. For example, in automobile building, we are able to manufacture our own automobile. However, the system that existed in the Soviet Union remains inviolate. It continues to be oriented toward external ties, despite their instability and, sometimes, unprofitability.

Another principle pertains to the priority of national entrepreneurship. We also consider the creation in Ukraine of a society of proprietors as a major issue. We are in favor of privatizing enterprises as fast as possible; and shares must be given to as many citizens as possible. It is a different matter that these shares will go into circulation, that some people will squander them on drink while others will become millionaires—this is a normal development of events. In any case, we would try to guarantee at least approximately equal starting conditions for Ukraine's citizens. Finally, there is the question of protecting those competitive branches of science and production that may give Ukraine a considerable profit in the future.

[Hubina] You insist on giving priorities to national entrepreneurship. However, are we really capable now of holding out on our own—without Russia or the West?

[Pavlyshyn] The priority of national entrepreneurship does not mean refusing Western investments or benefits to investors. However, it is not right to give benefits to foreign investors alone and not to give them to our small enterprises that our government should have rather staked on. We must look on matters realistically. We now have enterprises, and very large ones, that need investments, and they are on the verge of bankruptcy. What to do with them is a very great problem. However, it would be somewhat naive to think that a good uncle—a millionaire from America—will come and invest money here, having been carried away by the law on the five-year long exemption from taxes. Let us create equal conditions for all.

[Hubina] Pan [Mr.] Oleh, one can defend one's own political principles and positions without even being in power. However, economic reforms may only be defended via structures of power.

[Pavlyshyn] Yes, economic reforms and reforms in the sphere of education and health protection can only be implemented if there is real power in one's hands. We

would like the people who developed the URP's economic program to receive a certain level of authority and a corresponding freedom of actions in the new government to implement these reforms. Proceeding from this, we would agree to launch these people into the crisis situation that has taken shape in Ukraine. This will practically be a government that may quickly resign, but it may initiate reform and convince people of its need.

[Hubina] Today, the majority of political forces that are in opposition are going to convince people of the need to hold a referendum on the early dissolution of the Supreme Council. What is your attitude toward this campaign?

[Pavlyshyn] We are ready to take part in collecting signatures, but this is very complicated work: to collect 3 million signatures over three months.

[Hubina] This is beyond the strength of a single party?

[Pavlyshyn] Beyond the strength of either Rukh or "Nova Ukrayina." This must be a broad campaign that must also be well prepared. However, we are surprised by the beginning of the forestalling collection of signatures. From which date should we start counting those three months? The Christian Democratic Party has declared that it will start collecting signatures on 10 July, "Nova Ukrayina—at the end of August or at the beginning of September, and Rukh—in September. It is, however, obvious that there cannot be a chase in collecting signatures; it would be better to wait until September when students come back and people return from vacations.

[Hubina] Therefore, all of the most important events here may start in the fall?

[Pavlyshyn] I thought that the price hike would result in a much stronger wave of indignation, but, so far, everything does not go beyond statements and threats of a strike. We are against strikes now. We would plan mass actions in September, actions in which we might declare our attitude toward the government. We are already starting a campaign on gathering signatures from presidential representatives, local authorities, and councils at all levels regarding their attitude to Fokin's government.

The URP and the Democratic Party of Ukraine have initiated the creation of the Congress of Ukraine's National Democratic Forces. What is its goal?

[Pavlyshyn] So far, the Republican Party, the Democratic Party of Ukraine, and the Union of Ukrainian Students have announced their desire to create it. We think that a number of other parties and public organizations will join us. We will create in it such conditions of relations that will make it possible to cooperate rather than allow any organization to prevail. The main goal of the congress will be to promote and give support to candidates to Ukraine's future parliament in order to create a strong national democratic faction; we also want to conduct elections of the leadership of local councils, and so on.

[Hubina] Do you think that Rukh may join the congress?

[Pavlyshyn] The road is open. Everything depends upon Rukh's desire.

Disarmament Issues Committee Begins Work

LD2907193392 Kiev Ukrayinske Radio First Program
Network in Ukrainian 0500 GMT 29 Jul 92

[Text] The National Committee of Ukraine for Issues of Disarmament is starting practical activity. According to the Foreign Ministry press center, the statute and other normative documents which will regulate all aspects of activities by the department have already been prepared and approved. Experienced specialists in problems of disarmament, politicians, lawyers, and diplomats, headed by Borys Tarasyuk, deputy foreign minister of Ukraine, have been involved in its work.

Security Service Protests Reports on Lvov

LD2907221892 Kiev Ukrayinske Radio First Program
Network in 0500 GMT 29 Jul 92

[Excerpts] On 27-28 July, ITAR-TASS reported the information that the head of the security service of Ukraine, Marchuk, had described the town of Lvov as the most corrupt city in Ukraine. That information also included other misrepresentations and inaccuracies. [passage omitted]

The authors of the information, which circulated through the channels of the Russian mass media, resorted in particular to insinuation. The lie in this case is framed with actual facts of our life. This frame is the information on corruption of an official and unattractive aspects of life of a corrective zone, etc. Thus, the listener is given all the familiar information in which he believes, which gives credibility to the rest of the report. The invention lies in the reference to Yevhen Marchuk, head of the security service, who, allegedly, described Lvov as the most corrupt city. Without underestimating the complexity and tension of the fight against organized crime in that town, as well as in other regions of our state, the press center of the security service at the same

time resolutely responds to anyone's attempts to communicate their opinions, convictions, or points of view to people through similar methods.

All this is alarming, moreover so, because similar cases have the tendency to recur. Starting with references of the press agency (?UNA) to the security service of Ukraine in connection with, allegedly, a plot disclosed by the special service, and continuing with the spread of various rumors that do not assist the stabilization of the situation in society. Regarding insinuation as a form of propaganda of personal views by certain political forces, and assessing it as a dishonest method of reaching their own conjectural aims by any means, in this case—the provocation of mistrust in Lvov oblast population toward the local authorities—the press center of the security service of Ukraine is authorized to make a resolute protest against whoever's attempts to drag the security service of Ukraine into the process of political confrontation of parties, movements, etc.

Security Service To Focus on Economic Crime

AU3007130692 Kiev Radio Ukraine World Service
in Ukrainian 1200 GMT 30 Jul 92

[Text] The main efforts of the workers at the corresponding administration of Ukraine's National Security Service are directed toward combating economic crime and preventing the penetration of upper echelons of power by mafioso structures. This is what chairman of Ukraine's National Security Service Yevhen Marchuk said yesterday to journalists at the news conference that dealt with the fulfillment of Ukraine's laws on combating crime.

Yaroslav Kondratyev, Chairman of the Supreme Council Commission for Questions of Law Enforcement and Combating Crime chairman of Ukraine's National Security Service, and Volodymyr Korniychuk, Ukraine's first deputy minister of internal affairs gave those present a detailed account of the activity of their corresponding state organs, of their activity in the sphere of law enforcement in the republic, and of the ways to improve this work and, of course, answered many reporters' questions.

Moldova**Government Approves New Cabinet of Ministers**

LD2907133992 Moscow ITAR-TASS World Service
in Russian 1240 GMT 29 Jul 92

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Chisinau, 29 Jul—After lengthy discussions, the Moldovan parliament today approved the new Cabinet of Ministers. The formation of the government of national accord, as it is called in Moldova, proceeded with difficulties and took several days. But it seems that this morning deputies from various factions at last "found a common language" and concluded backstage "gentlemen's agreements" on mutual concessions to promote "their own" candidates. Following the appointment "on the second attempt" of Ion Ungryanu and Nikolay Matkash, supported by the Christian Democratic faction of the People's Front, as minister of culture and worship and minister of science and education, optimistic forecasts of observers came true—it literally took several hours to vote for the new cabinet.

Accord Opens Way for Deploying Peacekeepers

AU2907181692 Bucharest Radio Romania Network
in Romanian 1700 GMT 29 Jul 92

[Gabriel Ionescu report from Chisinau]

[Text] Today Moldova's parliament resumed discussions on setting up the republic's new government. A number of ministers and department heads were confirmed. Another parliamentary meeting will be held tomorrow.

At this time, the meeting of the Unified Control Commission—a mechanism set up through the Convention on the Peaceful Settlement of the Armed Conflict in the Dniester region of the Republic of Moldova—continues in Tighina. The meeting's proceedings opened this morning at 1130 [0830 GMT]. Before the start of the meeting, Mr. Nicolae Chirtoaca, state counselor for military problems and head of the Moldovan delegation in the Control Commission, told the Chisinau radio station that, with the conclusion of yesterday's accord, the way was set free for the arrival of military troops in the conflict area.

[Begin Chirtoaca recording] We will also discuss the issue of the withdrawal of troops and of the joint activity of the commission members in each control area. [end recording]

The document signed by the three sides in the Control Commission establishes the composition, number, and deployment of the troops of the peacekeeping forces. Six battalions from the Russian Federation are expected to arrive, including a reserve battalion. The Dniester region will supply three battalions, including a reserve one. The Republic of Moldova will also deploy three battalions. The military contingents are envisaged to be deployed in

Dubasari, Cocieri, Cosnita, and the surrounding localities as well in the city of Tighina. As a matter of fact, given the particularly complex situation and the fact that Tighina was declared—as stipulated in the Convention—an area with an increased security regime, a Russian paratrooper regiment consisting of three battalions will be deployed here. North of Varnita, a village near Tighina, a Moldovan battalion will be deployed.

[Begin Chirtoaca recording] The 14th Army—as stipulated in the Convention signed with Russia—will stay neutral, and the joint posts created to cut off Tighina from new supplies of arms and ammunition in order to end the military conflict will gradually be changed, meaning that our posts will remain, since they are joint Moldovan-Russian ones, while the posts of the 14th Army—that is, their contingents of soldiers and officers—will be withdrawn, to be replaced by officers from the contingents of the armed forces to be deployed in the area. [end recording]

Mr. Nicolae Chirtoaca mentioned the presence of military observers in this peace mechanism—officers and noncommissioned officers—who will act, along with the military contingents, to supervise the withdrawal of troops and the inventory of military hardware.

A last minute news item: Twenty-two transport airplanes with Russian peacekeeping troops for the conflict area landed at Tiraspol airport.

First Russian Units Arrive in Bendery

AU3007081992 Bucharest Radio Romania Network
in Romanian 0400 GMT 30 Jul 92

[Gabriel Ionescu report from Chisinau]

[Excerpt] The first Russian peacekeeping military units arrived in Tighina [Bendery] last night. Many citizens of that town received the Russian forces with flowers, bread, and salt. Some of the people in the street chanted in Russian: "Liberators!" In the opinion of one official of the Moldovan delegation participating in the Unified Control Commission, that was a well-staged propaganda show organized by the pro-separatist Tighina town authorities.

The Russian Federation's military contingent, which is to take positions inside the security zone, arrived in the Dniester region yesterday afternoon aboard 22 transport planes that landed at Tiraspol military airport.

Mr. Victor Catana, first deputy interior minister and the representative of the Republic of Moldova in the Control Commission, made a statement last night, saying that those forces will be stationed in Tighina as long as necessary in order to ensure peace and eliminate the so-called third force, which is an armed destabilizing force that continues action in certain parts of Tighina. [passage omitted]

Peacekeepers' Role in Dniester Viewed

PM3007104992 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1800 GMT 26 Jul 92

["Novosti" newscast video report by Vladimir Luskanov]

[Text] This week events have taken place that have considerably changed the military-political situation in the Dniester region. The war has not declined, the shooting has not died down. There has been no letup in the mutual hatred. The grievances and losses have not been forgotten. But there has been a breakthrough elsewhere: The Chisinau and Tiraspol authorities have had the courage to compromise at great risk, to their positions among other things. The agreement that Yel'tsin and Snegur signed in Moscow on principles for settling the conflict undoubtedly represents a victory for Russia in its diplomatic course of reconciling its neighbors near and far. Giving up their ambitious plans for a full settlement, the sides effectively agreed to freeze the conflict, suspend hostilities, and disengage their troops. All the most contentious political aspects of the issue were set aside, evidently for a protracted period. For Tiraspol, the main thing in this agreement, according to President Smirnov, were Russia's guarantees. As you know, at the time that the agreement was signed the Dniester delegation, in breach of the protocol, took up the Russian flag. Be that as it may, 28 July 10 peacekeeping battalions are to be deployed in the Dniester Region. They will be under the jurisdiction of a special body, a supervisory commission. There will be six Russian battalions, two battalions from Moldova, and two from the Dniester Region. They have already begun to be formed. The headquarters of the supervisory commission has been set up in Bendery. It has already begun its work.

For the time being until the main forces arrive the 14th Army has assumed the role of peacekeeper with the agreement of all parties. For three days now there have been 16 army posts in operation in Bendery and they are effectively controlling the situation. They have orders to shoot to suppress anyone who breaches the truce. In Tiraspol, army patrols are confiscating weapons. These Russian blue berets seem to be doing a good job. Nevertheless the lull is likely to be very short-lived. Too many forces on both sides of the Dniester are unhappy with the agreement and view it as betrayal of their national interests. Too many eyes are on the 14th Army's weapons dumps. The freeze has worked so far, but this doesn't mean that things are improving.

Czechoslovak Daily Interviews Snegur

LD2907222892 Chisinau Radio Chisinau Network
in Russian 1800 GMT 29 Jul 92

[Text] Today, Moldovan President Mr. Mircea Snegur gave an interview to a correspondent of the Czechoslovak newspaper SMENA.

Describing the socio-political situation in the republic following the conclusion of the (?Moldorovskoye) agreement, Mr. Snegur noted that the people that had given him his presidential mandate would muster sufficient spiritual strength to overcome these painful ordeals.

On the subject of the opinions to the effect that a war was being fought by Romania against Russia on the territory of Moldova, as well as speculation about the geopolitical interests of the United States, Western Europe, Russia, and other countries in the region, Mr. Mircea Snegur expressed himself unambiguously: He disagreed with such claims. What was going on in Moldova was none other than the struggle to gain true independence and the preservation of territorial integrity.

Mr. Mircea Snegur also ruled out the possibility of the seizure of power by extremist forces. To a question about the softening of General (?Cavcas) as a consequence of the events in Bendery, the president replied that the Army had come to the aid of the police, and it, including Gen. (?Cavcas), could not be held responsible for a war that had been unleashed by the pro-imperialist separatist forces.

At the end of the interview, Mr. Mircea Snegur pointed out that the republic's present leadership would make any reasonable compromises while remaining true to democratic principles.

New Education Minister Closes Russian Schools

LD2907224592 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 2000 GMT 29 Jul 92

[From the "Novosti" newscast]

[Text] The Moldovan parliament has confirmed the candidature of the new minister for science and education. In his speech Minister Matkash has announced the closure of some Russian schools. In his opinion, by doing this he is restoring social justice, which has been violated for 60 years, RIA reports. Well, it is possible that a new stage of the violation of social justice has begun in Moldova. The question is for how long.

Kazakhstan

Farmers Weigh Uses of Grain Revenue

PM2807150592 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1700 GMT 23 Jul 92

[From the "Novosti" newscast: Video report by I. Dvorkin and V. Khominets, from Kazakhstan]

[Text] [Announcer] Of all the republics of the former Union, only Kazakhstan is in a position to export grain. Russia is currently engaged in negotiations to buy 3 million tonnes of grain from Kazakhstan for rubles.

The prices for wheat and barley fixed by the republic government are only slightly below stock exchange prices. They appear to satisfy grain growers.

The "Podgorny" Association of Agricultural Cooperatives, which used to be a sovkhos, is hoping to use the harvest to cover expenses resulting from the purchase of fuel and spare parts which had to be bought mostly, from wherever they could be found. The Association did not spend any money on new combine harvesters. Mercifully, the machine operators here are highly skilled and they look after the machinery well. That way the production cost of the grain will be kept low, and profits will be higher. Millions of rubles are needed to pay wages, social security and other funds, and to finance the schools, kindergartens, and other amenities. There would be enough money left to put back into production, but production development is not advantageous. Due to inflation, due to the soaring prices, expenses cannot be recouped.

[A. Ponter, director of the "Podgorny" Association] We will deliver 60 to 80 million rubles worth of grain. If we put this money in the bank, we could live on the interest without producing anything whatsoever. If we put the money in the bank and get 30 percent interest... [changes thought] 24 million is entirely sufficient to cover our internal needs for a year.

[Dvorkin] So farmers have found a solution. What about city dwellers? A substantial section of the latter is already living below the poverty line.

Premier Supports Restoration of Silk Route

OW2907221792 Moscow INTERFAX in English
1903 GMT 29 Jul 92

[Report by Andrey Pershin, Andrey Petrovsky, and Vladimir Shishlin from "Presidential Bulletin"; transmitted via KYODO]

[Text] At a meeting of the Silk Route National Committee, Prime Minister Sergey Tereshchenko gave his approval to projects to provide facilities for international tourism along the Kazakh stretch of the historic Silk Route between Central Asia and China.

Tereshchenko supported the proposal that the new institute of the economics and culture of Central Asia have its headquarters in Alma-Ata. He stressed the necessity of coordination in the work of restoring the Silk Route, including the creation of transport and service infrastructure.

IF [INTERFAX] Note: The projects for turning the Silk Route into a tourist zone were worked out by a committee formed two years ago at the suggestion of Kazakh President Nursultan Nazarbayev and the leaders of Central Asian states. However one of the principal aims of the restoration of the Silk Route is to restore the natural economic ties in the region.

Kyrgyzstan

Supreme Soviet Debates Proposed Constitutions

LD2407152192 Moscow Programma Radio Odin
Network in Russian 1100 GMT 24 Jul 92

[Text] As we have already reported, the session of Kyrgyzstan's Supreme Soviet is continuing in Bishkek.

Three variants of the republic's new constitution have been submitted for discussion: one has been drawn up by the president and the Asaba National Rebirth Party, and the other two by the democratic movement.

The first variant provides for the president's all-embracing influence on all state structures, whereas the other two provide for a parliamentary or a presidential-parliamentary form of government.

However, as the debate has shown, all variants turned out to be insufficiently developed and they had to be sent off to be corrected.

Akayev Accepts Credentials of Japanese Envoy

LD2707170192 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1100 GMT 27 Jul 92

[From the "Novosti" newscast]

[Text] Sumio Edamura, Japan's extraordinary and plenipotentiary ambassador, presented his credentials to Askar Akayev today.

[Correspondent] Working in Moscow, Sumio Edamura will also be Japan's extraordinary and plenipotentiary ambassador to Kyrgyzstan. He has already visited our republic and established friendly relations with the Kyrgyz president. After receiving the credentials, Askar Akayev noted that both Kyrgyz and Japanese state flags have a representation of the Sun. No obstacles exist today to prevent this symbolic kinship from energizing businesslike cooperation.

Tokyo has promised free state aid of \$7 to \$15 million. (Studio) According to the agreement, the Japanese

ambassador to Russia will also represent that country's interests in Kazakhstan and Turkmenistan.

Party Aims for 'State of Uygurstan' in Xinjiang

MK2907132092 Moscow NEZAVISIMAYA GAZETA in Russian 29 Jul 92 p 3

[Report from "NEGA Reports" column: "Kyrgyzstan"]

[Text] The constituent assembly of the "For a Free Uygurstan" Party has taken place in Bishkek. Around 270 Uygurs took part in it.

Representatives of similar sociopolitical organizations from Kazakhstan and Uzbekistan, and Iknil Kurban, a Turkish citizen of Uygur extraction who is a professor teaching at an Ankara university, became members of the assembly presidium.

A program and statute were drawn up and will be submitted to the Ministry of Justice for registration.

The party's aim is to form the state of Uygurstan on the territory of China's Xinjiang-Uygur Autonomous Region, which borders Kyrgyzstan.

The participants repeatedly stressed that they intend to act exclusively within the norms of international law. According to them, this will radically distinguish them from certain extremist and separatist-inclined people in the Xinjiang-Uygur Autonomous Region.

An appeal to the world's peoples and parliaments requesting them to support the Uygurs' desire to form their own state was adopted. The party's Central Council was elected and is headed by Akhmedzhan Gaziyeu, chairman of the organizing committee for setting it up.

Tajikistan

Further on Results of Khorog City Conference

OW2907194192 Moscow INTERFAX in English 1905 GMT 29 Jul 92

[Report by Andrey Pershin, Andrey Petrovsky, and Vladimir Shishlin from "Presidential Bulletin"; transmitted via KYODO]

[Text] Apart from the ceasefire agreement, the government and opposition meeting in round table talks in Horog signed a protocol calling for the resignation of president Nabyev (refer to PB [Presidential Bulletin] No 125 of July 28). It was signed by the leaders of all movements and parties including the Communist Party.

The chairman of the Democratic Party [DP], Shodmon Yusupov, told IF [INTERFAX] that Nabyev's failure to attend the round table discussion was an indication that Tajikistan had no president and that the forces installing him in power had withdrawn support.

On the ceasefire agreement bearing more than a hundred signatures of those who were sworn enemies until recently, Yusupov said it was of great significance given that the situation in Tajikistan could spill over to any of its neighbours.

DP leader blamed CIS troops for a number of shooting incidents taking place during the talks in Khorog.

Yusupov put the number of dead casualties from 200 to 300 accusing soldiers of Byelarusian descent in particular who decided, he said, "to shoot at Dukhs, their nickname for Tajiks, before being demobilised".

He also said that "the united democratic forces" had carried out an analysis of all the shooting incidents involving Russian troops in Tajikistan and sent several documents to the Committee of Servicemen's Mothers asking not to allow Russian youths to do service in Tajikistan. They also called for an immediate withdrawal of all Russian forces, including border troops.

Yusupov said Tajikistan had enough means to maintain armed forces and borderguard troops of its own.

IF [INTERFAX] Note: Yusupov's position on the deployment of Russian troops is largely at odds with the government's. The government reaffirmed Russia's jurisdiction over border troops during last week's visit to Tajikistan by the deputy Russian prime minister, Aleksandr Shokhin. President Nabyev himself has repeatedly called for Russian troop reinforcements. Earlier, the defence committee chairman, Bakhrom Rakhmonov, said the establishment of its own borderguard forces would cost Tajikistan at least Rbl [ruble] 55 bln [billion] in extra annual spending.

Nabyev Support Declining

OW2907154792 Moscow INTERFAX in English 1339 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] The Tajik President Rahmon Nabyev has lost his former supporters without finding new ones, says the chairman of the Tajik Democratic Party Shodmon Yusupov. In an interview with INTERFAX he criticized R. Nabyev for failing to attend the meeting of political leaders held July 26-27 in Khorog (Gorno-Badakhshyan) where a ceasefire agreement was reached.

Sh. Yussupov added that besides the peace agreement the leaders of all parties and movements including the communists signed a protocol in Khorog demanding the President's resignation.

According to Sh. Yussupov armed clashes between opposed groupings have lately occurred in some regions of Tajikistan. He asserts that they involved some CIS troops deployed in the republic. The united democratic forces of Tajikistan, he says, have prepared an analysis of the conflicts and sent messages on its basis, one to the Committee of Soldiers' Mothers. Sh. Yussupov demands

an immediate withdrawal of all RF [Russian Federation] troops from Tajikistan, including the border-guards. He says the republic can afford its own forces including border guards.

Earlier the chairman of the Tajik defence committee Major-General Bahrom Rahmonov repeatedly complained the republic could not afford its own troops.

Newspapers Accused of 'Inflating' Print Run

MK2907133092 Moscow NEZAVISIMAYA GAZETA in Russian 29 Jul 92 p 3

[Report from "NEGA Reports" column: "Tajikistan"]

[Text] The independent newspaper CHAROGI RUZ has discovered the secret of certain publications' popularity. It has published a list of republic newspapers, showing their actual print run.

JUMHURIYAT, a former newspaper of the republic Communist Party Central Committee, has a print run of a little over 6,000 copies, although the paper itself shows 40,000. GOLOS TADZHIKISTANA, the current communist newspaper, is also inflating its print run.

In fact, according to CHAROGI RUZ's information, NARODNAYA GAZETA takes first place among republic newspapers and the five most popular also include ADOLAT, the Democratic Party's organ, and the independent CHAROGI RUZ.

A few days ago the communist newspapers, which also declared themselves independent from September, requested that the Cabinet of Ministers transfer them to the government's jurisdiction.

Armenia

President on Polarization of Political Forces

OW2807173392 Moscow INTERFAX in English
1636 GMT 28 Jul 92

[Report by Andrey Pershin, Andrey Petrovsky, and Vladimir Shishlin from "Presidential Bulletin"; transmitted via KYODO]

[Text] Addressing the representatives of the Armenian intelligentsia on Monday [27 July] evening, President Levon Ter-Petrosyan noted further polarization of the political forces in the republic.

According to Ter-Petrosyan, only the intellectuals, standing outside any parties and reflecting the inner wishes of the people, could become a force able to consolidate the nation. But he said that the intelligentsia does not show sufficient initiative.

The state, "in accordance with its possibilities", takes care about the employees of the scientific and art spheres but these possibilities are not boundless, the president declared.

Making an analysis of the political situation in the country, the president sharply criticized the parliamentary deputies who, according to Ter-Petrosyan, cannot use their rights in a civilized way. As an example the president mentioned that fact that "several parliamentarians demand resignation of the leadership and the president not at the session of the Supreme Soviet but in the streets and squares of Yerevan appealing to the people".

In this respect Ter-Petrosyan has again returned to his well known proposal to the members of the supreme legislative body in order to assure "a right of mutual impeachment" to the president and the parliament. In this case the president could dissolve the Supreme Soviet using a referendum and the Supreme Soviet in its turn could use the same method in order to make the president resign.

"The Supreme Soviet is the only authority which has no responsibility for its activity", Ter-Petrosyan noted. According to the president, certain levers of influence are necessary for irresponsible parliamentarians.

Speaking on the prospects of the political situation, the president pointed out that everything will be specified by a sad reality, namely by the absence of really democratic institutions and structures which are able for creative work irrespective of the persons occupying the posts.

Ter-Petrosyan predicts that the republic needs at least ten years to overcome the old stereotypes.

State of Emergency Decreed in Some Areas

NC2907193492

[Editorial Report] Yerevan Armenia's Radio First Program Network in Armenian at 1730 GMT on 29 July carries the announcer read text of two decrees signed by

Armenian President Levon Ter-Petrosyan on 29 July introducing a state of emergency in Goris and Gorisskiy Rayon and in Krasnoselskiy Rayon. The first says:

"In order to ensure the security of the republic's border regions and to speedily resolve problems arising from caring for the refugees,

"Acceding to the request of the Gorisskiy Rayon soviet executive committee, and guided by Point 15 of Article 8 of the Armenian Republic law on the Armenian president, I have decided:

"1. To declare a state of emergency in Goris and Gorisskiy Rayon for a period of two months.

"2. To empower the Armenian Interior Ministry and Defense Ministry with the execution of this decree.

"3. This decree goes into effect on its ratification by the Armenian Supreme Soviet.

"To appoint Armenian Supreme Soviet People's Deputy Paruyr Arshavirskiy Ayrikyan as the military commandant of the state of emergency in Goris and Gorisskiy Rayon.

"To leave the fixing of the curfew hours in the state of emergency region to the discretion of the military commandant."

The second says:

"In order to ensure the security of the population of Krasnoselskiy Rayon and to organize the natural course of agricultural work,

"Acceding to the request of the Krasnoselskiy Rayon soviet executive committee, and guided by Point 15 of Article 8 of the Armenian Republic Law on the Armenian president, I have decided:

"1. To declare a state of emergency in Krasnoselskiy Rayon for a period of two months.

"2. To empower the Armenian Interior Minister and Defense Ministry with the execution of this decree.

"3. This decree goes into effect on its ratification by the Armenian Supreme Soviet."

Nagorno-Karabakh Forces Recapture Villages

LD2807131192 Moscow ITAR-TASS in English
1216 GMT 28 Jul 92

[By ARMENPRESS correspondent Aleksandr Grigoryan—TASS]

[Text] Yerevan July 28 TASS—Armenian units seized four villages in Mardakert region in the north of Nagorno-Karabakh after fierce clashes with Azeri Forces on Tuesday [28 July], according to the Karabakh Self-Defence Headquarters. Azeri units lost 30 men killed, as

well as six tanks and two armoured vehicles. Two Armenians were killed and six wounded in the offensive, according to preliminary reports.

However, Azeri Forces continue to shell Armenian settlements in Karabakh and along the border between the two former Soviet Republics. Practically all Armenian villages of Kapan Region bordering on Azerbaijan, as well as the settlements of Eraskhavan and Arvashen in two other Armenian regions came under Azeri fire on Tuesday, according to local authorities.

Despite the continuing clashes, Karabakh Prime Minister Oleg Esayan told ARMENPRESS the enclave is sure to find a way to settle the conflict.

Additional Village Recaptured

*LD2907131592 Moscow ITAR-TASS in English
1219 GMT 29 Jul 92*

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan July 29 TASS—On Wednesday morning [29 July], self-defence forces of Nagorno-Karabakh, developing a counter-offensive, recaptured the Armenian village Nerkin Oratag of the Mardakert District of Nagorno-Karabakh, the Karabakh news agency reports. It says that Armenian units on Tuesday drove Azeri armed units out of Armenian villages Magavuz, Mokharatag, Akop Kamari and Mingrelnsk.

An operation to suppress fire emplacements in Mardakert, occupied by the Azeri side, was launched in Stepanakert, ITAR-TASS learned from official sources.

Situation Updated

*NC2907153092 Yerevan Radio Yerevan in Azeri
1330 GMT 28 Jul 92*

[Text] Dear listeners, we now report on the latest incidents in the Nagorno-Karabakh Republic [NKR] and on Armenia's border with Azerbaijan.

First, we wish to comment on the Azerbaijan Defense Ministry's disclosures on the incidents. As a rule, Azerbaijan's Defense Ministry and mass media exaggerate that republic's military units' successes and provide incomplete information on their casualties and military hardware losses. The truth is that the Armenian self-defense forces in Nagorno-Karabakh have maintained their attacks, regardless of the Azerbaijan National Army's superiority in terms of men and military equipment.

Daily, significant casualties are inflicted on the Azerbaijan National Army. The Armenian self-defense forces have foiled enemy attempts to take the initiative and have launched counterattacks to liberate the residential areas occupied in Mardakertskiy [Agdere] Rayon. Nagorno-Karabakh's people are all involved in waging the struggle for the homeland. They have moved as a united front to defend their country against the occupier.

The Armenian self-defense forces launched retaliatory combat operations at 0100 on 27 July near Mardakert, Mardakertskiy Rayon's center. The freedom fighters are trying to silence the enemy firing positions. Operations are continuing.

According to an Armenian Defense Ministry press center report on 27 July, the Armenian forces have liberated (Movshen) and Mokhratag. Violent clashes took place to liberate the two towns and the usurper lost military equipment and many men. Clashes are ongoing for Magavuz.

The Azerbaijani sources we have mentioned claim that Azerbaijan National Army units control the Sarsangsk water reservoir. This is untrue. The Armenian self-defense forces maintain their control over this strategically important installation and surrounding areas.

There are serious confrontations in the region's other towns and rayons. The rayon centers and towns in Martuninskiy and Askeranskiy Rayons have been fired on from positions in Azerbaijan's Agdamskiy and Fizulinskiy Rayons with various types of arms. Return fire silenced several positions.

Now let's look at the situation on Armenia's border with Azerbaijan. Tension is gradually escalating; the peaceful situation created in several border rayons did not last long. As a rule, the Azerbaijani units violate the cease-fire agreements and continue to pursue their malicious objectives. The violation of the cease-fire agreement reached between the leading officials in Azerbaijan's Kubatlinskiy and Armenia's Kapanskiy Rayon can be given as an example. The cease-fire agreement was reached to enable farmers to harvest their crops in the border areas, but the enemy failed to fulfill its promise. The Azerbaijani units in Kubatlinskiy Rayon treacherously fired on Kapanskiy Rayon three days after the agreement was concluded—at 0200 on 26 July. Mardin Sarkisyan, 22, a Davidbek resident, was killed. His family's only son, this innocent young man was killed by a treacherous bullet.

At 1600 the same day, several men from Zangelanskiy entered Kapanskiy Rayon and set fire to 45 hectares of grain near Sinuk. A shell fired from a position in [name indistinct] in Zangelanskiy Rayon set fire to crops near [name indistinct]. The fire was extinguished, but five hectares of grain were destroyed.

These activities reduce a cease-fire's chances. We believe the sides must remain committed to agreements, regardless of the continuing clashes. Fulfilling the agreements also creates an opportunity for the sides to consider their human and [word indistinct] aspects.

Azerbaijan National Army units have fired on Armenia's Tavushskiy, Megrinskiy, Krasnoselskiy, and [name indistinct] Rayons with artillery, rocket launchers, automatic firearms, and machine guns in the past two days.

Two Azerbaijani military helicopters violated Armenia's airspace from the direction of the Nakhichevan Autonomous Republic [NAR] at 1330 on (23 July). They fired on border patrol posts in Vaykskiy Rayon, but no one was wounded. The helicopters turned back and flew toward the military base in Shada in the northern part of the NAR.

What is the objective of this dispute? What will the neighboring republic gain from it? We are convinced that the Azerbaijani officials have not given up their intention to draw Armenia into a large-scale war. That Armenia's border rayons are daily fired on from neighboring Azerbaijan with various types of arms is no coincidence. Although the Azerbaijani officials know a meaningless war is being fought, they still maintain their criminal policies, grossly violate the rights of the Armenian people in the NKR on the pretext of safeguarding Azerbaijan's territorial integrity, and try to legalize the occupation of NKR's historic lands. It is impossible to change the course of history. Developments confirm this.

Yerevan Reports 28-29 Jul Clashes

NC2907191392 Yerevan Radio Yerevan International Service in Armenian 1530 GMT 29 Jul 92

[Text] The Defense Ministry press center reports that the military operations that started at Yeraskh sector at noon yesterday have now intensified. The Azerbaijanis targeted the border villages of Yeraskhavan, Sevakavan, and Armash in Araratskiy Rayon. They used all types of weapons to fire on the villages. Five Armenian border guards were injured and an Armash resident was killed during the exchange of fire. The school building and three residential houses were destroyed in Armash. There is no information about the enemy's losses. The exchange of fire ended at 0100.

This morning Nakhichevan's gunmen were firing sporadically at Yeraskh sector.

Aygehovit in Idzhevanskiy Rayon and a number of villages in Kapanskiy, Vardenisskiy, and Tavushskiy Rayons came under artillery shelling last night and this morning. Megri was shelled from Azerbaijan's Zangelanskiy Rayon. The Armenian side again inflicted an appropriate counterstrike.

Our correspondent reports from Tavushskiy Rayon that three combines in the village [not further identified] were forced to stop the harvest work at around 1630 yesterday and managed to save themselves and move to a secure location, thanks to a daring mechanic. Following artillery shelling and machine-gun fire from the gun emplacements at Agdam, a large group of armed Azerbaijanis tried to enter the fields at Azatavar region to seize agricultural machinery and the harvested grain. Thanks to the precise operations undertaken by the border detachment, the enemy was repulsed. The fighting continued until 2100. There were no casualties.

Nerkinshen [word indistinct] in Choradzan region, and the defensive positions at Movses, Aygepar, and Nerkin-Karmiragpyur came under artillery shelling until midnight. The local military commandant's office is taking effective measures to defend the harvest workers.

Azerbaijan

Defense Minister Reportedly Resigns

NC2907135292 Baku ASSA-IRADA in English 1230 GMT 29 Jul 92

[Text] Azeri Defence Minister Rakhim Gaziyevev resigns.

The minister reasons his decision by his non-agreement with the presidential decree appointing R. Aliyev as military prosecutor of the Republic. The defence minister claims that being deputy prosecutor of Baku city, R. Aliyev soiled the name of law-enforcement bodies. It's a few days that Milli Mejlis discusses the statement on resignation. [sentence as received] Yesterday they held a closed meeting.

Today's AZADEIG paper reports no decision has been taken yet.

Agreement Reached With Russia on Border Guard

NC2907184692 Baku ASSA-IRADA in English 1643 GMT 29 Jul 92

[Text] Baku 29.07.92 (ASSA-IRADA)—Azerbaijan and Russia agreed on joint guarding of Azeri southern borders—with Iran and Turkey for a 2-year term. In future, as far as Azerbaijan will have its own border personnel trained in special schools in Russia and on border while joint guarding Azerbaijan will enjoy absolute power on the border. [sentence as received]

Defense Ministry Updates 28-29 Jul Clashes

NC2907200492 Baku Radio Baku Network in Azeri 1700 GMT 29 Jul 92

[Text] The Analytical Information Center of the Azerbaijan Ministry of Defense has announced the following:

The enemy is intensifying its attacks in Agdere Rayon after receiving reinforcements and military equipment through the Lachin corridor. Violent clashes have taken place along the entire battlefield in Agdere Rayon during the past few days. Regardless of [words indistinct], the enemy units have temporarily occupied Kasapet, Demirly, (Medshen), Magavuz, Mokhratag, and Ashagy Oratag. The enemy is trying to mass its forces to attack the Agdere Rayon center. The Azerbaijan Armed Forces are in control of 16 residential areas in Agdere Rayon, including the rayon center.

Agdam, Chukhur Mekhle, and Khydyrly were fired on from the direction of Askeran and Khanabad from 1700 to 1900 on 28 July. Gyulably was fired on from Yenikend and Tekirkend. Papravend was fired on from

Mokhratag in Agdere Rayon. The fire was returned and an artillery gun and a tank were destroyed.

Last night the Armenians fired on Fizuliy, Karadagly, and [placename indistinct] with Grad rocket launchers, artillery guns, and tanks. A woman was killed and four men were wounded. Sur and Dashbashi in Dzhebrailskiy Rayon were fired on from the former Gadrutskiy Rayon. No one was killed in the attacks.

Skykhly in Kazakhskiy Rayon and Alibeyli and Agdam in Tauzskiy Rayon were fired on from Armenia last night. The Azerbaijani Armed Forces in Kazakhskiy Rayon returned the fire and destroyed a PDM [expansion unknown] and 12 enemy brigands.

Sadarak in the Nakhichevan Autonomous Republic was fired on with various types of arms the previous night. Damage was caused in the town and clashes are continuing. Badabad in Shakhbuzskiy Rayon and [placename indistinct] in Sharurskiy Rayon also were fired on, with seven people wounded in the attacks. The Azerbaijani Armed Forces silenced the enemy firing positions.

The situation in Kelbadzharskiy, Kedabekskiy, Kubatinskiy, and Zangelanskiy Rayons was relatively peaceful last night.

Georgia

Shevardnadze: Police To Control 'Hot Spots'

OW2907142792 Moscow INTERFAX in English
1336 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] In the next few days the Georgian police will take the situation in all "hot spots" in the west of Georgia under control, said the chairman of the State Council Eduard Shevardnadze. He summed up the results of the joint session on the ways to strengthen law and order held in Tbilisi on Tuesday by the State Council and the government. "Top priority should be given to the efforts to provide the police with the necessary arms and equipment", he said.

E. Shevardnadze pointed to the important role played in overthrowing "the dictatorial regime" of President Zviad Gamsakhurdia by units belonging to the National Guard and to Jaba Ioseliani's paramilitary organization "Mkhedroni". Nevertheless he stressed that now they must become a part of unified Georgian armed forces that are being formed now. Under a decision taken by the State Council, said E. Shevardnadze, these units were to be confined to their barracks before June 15, but failed to do so.

In the meantime, as IF [INTERFAX] was told at the press center of Georgia's Interior Ministry, experienced operatives began to be despatched from Tbilisi and other cities to Western Georgia where Gamsakhurdia loyalists persist in provoking clashes. There are plans to set up in

Zugdidi in the next few days special Interior Ministry headquarters to coordinate the actions of police units.

Shakhi Lataria, State Council representative in Tsalenjikh District, told IF that at present the local police can do nothing to neutralize armed bandits. According to him, policemen are virtually unarmed; many of them leave their jobs in fear of reprisals against themselves and their families.

Police Role Supported

OW2907221292 Moscow INTERFAX in English
1903 GMT 29 Jul 92

[Report by Andrey Pershin, Andrey Petrovsky, and Vladimir Shishlin from "Presidential Bulletin"; transmitted via KYODO]

[Text] Political slogans are used as a cloak for unbridled banditry by numerous criminal groups practically throughout Georgia. Such was one of the points in acting Prime Minister Tengiz Sigua's speech at last evening's joint meeting of the State Council and government summing up the maintenance of law and order in the republic during the first six months of the year.

Pointing out the mounting activity of such groups and their impunity, Sigua demanded that all armed formations existing in Georgia except the police be "driven into barracks."

Interior Minister Roman Gventsadze said at the meeting that a mafia-run state was being built in the republic since numerous armed groups had taken control of practically all enterprises and commercial organizations, whereas the police were equipped much worse.

Gventsadze threatened that, unless the police were provided with adequate equipment, they would not obey any orders.

State Council Debates New Draft on Elections

OW2907211592 Moscow INTERFAX in English
1926 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] A draft of new regulations on parliamentary elections in Georgia scheduled for October 11 was introduced Wednesday [29 July] at a Georgian State Council session by deputations from thirty political parties. Discussion of the draft was the main point on the session's agenda.

The draft proposes that the number of deputies in the future parliament be increased from 169 to 180. Of these, 150 deputies would be elected in electoral districts by party lists on the basis of proportional representation. The remaining 30 deputies would be elected from the same districts, but on the basis of a majority electoral system.

Accepting this option on principle, Chairman of the State Soviet Eduard Shevardnadze proposed to add to these 180

deputies one deputy from each of the republic's regions (there are approximately 70). He substantiated his proposal with the claim that representation of all of Georgia's regions in the future parliament "would enable us to better understand the pains and concerns of the people of each region of the republic, which under the present conditions is becoming particularly important."

After continued discussion the proposal was passed. The State Council decided that three fundamental principles should be included in the statute on elections: party lists, representative regions, and independent candidates. A commission was formed and assigned the task of submitting a final version of the draft of election statute by Thursday.

Shevardnadze, North Ossetian Leader Hold Talks

LD2907125792 Moscow *ITAR-TASS World Service*
in Russian 1136 GMT 29 Jul 92

[By *ITAR-TASS* correspondent Albert Kochetkov]

[Text] Tbilisi, 29 Jul—Askharbek Galazov, chairman of the North Ossetian Supreme Soviet, met today during a brief visit to Tbilisi with Georgian State Council Chairman Eduard Shevardnadze. During the conversation, both sides agreed with the fact that the situation in South Ossetia has significantly eased and that the settlement of the conflict in the region is proceeding in accordance with the Dagomys quadrilateral agreements.

The North Ossetian and Georgian leaders have also discussed topic by topic the mechanism for bringing refugees back to the area of recent conflict, and decided that this process should be regulated in order to prevent possible misunderstandings.

Askharbek Galazov invited Eduard Shevardnadze to visit the North Ossetian capital at a convenient time. The invitation was accepted.

Defense Minister Says Moscow Talks 'Very Useful'

OW2907154392 Moscow *INTERFAX* in English
1336 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] Georgia's Defence Minister Tengiz Kitovani who returned to Tbilisi from Moscow on Tuesday [28 July] has said that his talks in the Russian capital, in particular at the Defence Ministry, "were very useful for Georgia". According to him, they concerned the ways to settle the conflict in Tskhinvali Region.

The minister declined to reveal the details of his visit to Moscow which lasted for almost a week.

More on Commission Report on Conflict Damage

PM3007102992 Moscow *ROSSIYSKAYA GAZETA*
in Russian 29 Jul 92 First Edition p 7

[*ITAR-TASS* report: "South Ossetia. Dear Cost of Conflict"]

[Text] The elimination of the consequences of the armed conflict in South Ossetia will require 34.245 billion rubles at July 1992 prices. Three years of war have seen the partial or total destruction of 93 population centers and settlements. Major material damage has been inflicted on Tskhinvali. Of the 10,430 houses in the city, about 1,300 have been damaged or destroyed. Facilities of the city construction industry have been totally destroyed, and 18 percent of the railroad network is out of action. These were the sad findings of a special interrepublic commission composed of Russian Ministry of Economy specialists and representatives of North and South Ossetia. The commission worked in the region 17 through 21 July in the framework of the implementation of the Sochi accords aimed at settling the Georgia-*Ossetia* conflict.

There were no representatives of Georgia on the commission, which complicates the preparation of a joint document on the scale of the economic damage and the material resources needed to restore South Ossetia's national economy. At the same time, in accordance with accords reached earlier, all expenses incurred through bringing peacekeeping forces into the region of the conflict and in restoring the region are to be borne equally by Russia and Georgia.

The interrepublic commission's leader, Vitaliy Sharin, chief of the Russian Ministry of Economy State Reserves Department, stated in conversation with an *ITAR-TASS* correspondent that commission members had personally inspected and assessed the damage to every village, house, and industrial facility in the region of conflict.

According to the data of the interrepublic commission, implementing just the top priority restoration measures will require about \$11 billion. These funds must be directed towards repairing the partially damaged housing stock, health facilities, the transport system, and the water, electricity, and gas supply systems. In Vitaliy Sharin's opinion, it is above all essential to restore within a short period of time a number of the city's industrial facilities, which will provide work for a large part of the population.

Turkish Prime Minister Arrives for Visit

LD3007133692 Moscow *ITAR-TASS* in English
1057 GMT 30 Jul 92

[By *SAKINFORM* correspondent Galina Chikovani for *TASS*]

[Text] Tbilisi July 30 *TASS*—"I arrived to Georgia to discuss ways of a broad cooperation between our countries. Georgia is building a democratic state. It will face hardships on the way, but Turkey is always near its

neighbour", Turkish Prime Minister Suleyman Demirel said on Thursday [30 July] upon arrival in Tbilisi on an official visit.

He is expected to sign a treaty on friendship, good-neighbourly relations and cooperation, as well as agreements on trade, education, culture, science and sport. An agreement on promoting investments, as well as three documents on transport are also to be signed.

Georgian-Abkhaz Parliamentarians Annul Decree

*OW2907211492 Moscow INTERFAX in English
1926 GMT 29 Jul 92*

[Transmitted via KYODO]

[Text] In a unanimous vote, Georgian deputies of the Supreme Soviet of Abkhazia annulled a decree made during a session July 23rd by their Abkhazian colleagues to bring the 1925 constitution of the Abkhazian Republic back into effect.

Deputy Chairman of the Abkhazian Supreme Soviet Tamaz Nadareishvili [name as received] told

INTERFAX that this happened Wednesday [29 July] in Sukhumi at the assembly of the parliamentary fraction "Democratic Abkhazia" which is primarily made up of Georgian members. There were 28 deputies at the assembly, including two Armenian deputies, one Ukrainian and one Karbardinian.

According to Nadareishvili, the fraction passed the decision to "announce its convocation of a regular session of parliament," since Democratic Abkhazia, according to its members, "expresses the interests of the majority of the Abkhazian population."

Nadareishvili stressed that when the Abkhazian deputies voted to annul the present constitution, there was a breach of regulations. For such a decision to be valid, "two thirds of parliament should have voted, not just a majority."

In conjunction with this the fraction has stated that until a new Abkhazian constitution is approved, the principle law on its territory would be as before, "the constitution of the autonomous republic from 1978."

Estonia

Further on Armed Clash With Russian Servicemen

Foreign Ministry Protests

LD2907153192 Tallinn Radio Tallinn Network
in Estonian 1200 GMT 29 Jul 92

[Text] The Estonian Foreign Ministry today handed over a note to Oleg Popovich, the Russian Federation's charge d'affaires, which voices resolute protest over the armed attack on 27 July by Russian soldiers at the vehicle pool, which had previously been at the disposal of the Baltic Navy and which the Estonian defense forces had taken under their control in accordance with Estonian laws.

The note states that Russian soldiers opened fire, without warning, in a street with a considerable amount of traffic, used physical force, and injured men of the Estonian defense forces, who did not have any opportunity to defend themselves with arms. The attack took place during the time when Margrethe II, Danish head of state, was arriving in Tallinn on a state visit.

The Foreign Ministry stresses that the continuing unlawful presence of foreign troops in Estonia, in particular in its capital, constitutes a grave violation of international law and an increasing danger to Estonian sovereignty as a state. It is completely impermissible to use force of arms against lawful representatives of Estonian state power. The provocative attack on 27 July is yet another attempt at destabilizing the situation in Estonia before the election of a lawful parliament and may be interpreted as an attempt to prevent Estonia from returning to the family of European democratic states.

CIS Navy Protest Lodged

OW2907155592 Moscow BALTFAX in English
1354 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] The deputy commander of the CIS navy, Admiral Feliks Gromov has lodged a protest over a shooting incident in central Tallinn on Monday [27 July] involving Russian and Estonian servicemen, navy press officials told BF [BALTFAX] in Moscow. The admiral blamed the incident on the Estonian Defence Ministry "either for lack of control over different armed groups or for encouraging their illicit actions".

The incident came on July 27 as Estonian servicemen tried to seize the building of the Russian Army garrison's construction department in Tallinn in an effort, they said, "to prevent the sales of army property". In an ensuing exchange of fire, Commodore Vyacheslav Gay, and construction worker Tkachenko were wounded.

In connection with the incident, the commander of the Baltic Fleet, Admiral Vladimir Yegorov, said the Estonian side was trying to bring massive pressure to force Russian troops out of the Baltic states.

He said the latest incident should send a signal to the Russian Government to be more coherent about the negotiating process, and to act firmly and consistently in the defence of the country's national interests.

Earlier, the Baltic Fleet command, in several cables to the Estonian Government, had protested at what it described as unlawful actions by local paramilitary Kaitseleit units who attacked Russian servicemen deployed in Estonia. The command also pointed to the Russian Government's resolution of June 20 ordering Russian troops to open fire in the event of attacks and to plant mines around the naval installations.

'Isamaa' Union Criticizes Forces

OW2907223192 Moscow BALTFAX in English
1851 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] The leaders of the Estonian Christian-Democratic Union Mart Laar told a press conference in Tallinn Wednesday [29 July] that "the Tallinn incident shows how weak and poorly organized our armed forces are".

On July 27 during an attempt by Estonian military to take control of the garrison's construction department some shooting occurred as a result of which a Russian officer and a department worker were wounded.

In the opinion of Laar, "It is a separate question if it was worthy or not to resort to such kind of action during the Danish Queen's visit", but as it was taken, it should have been arranged duly". Laar noted that the incident during which representatives of the Estonian armed forces "were disarmed, undressed and beaten at the center of the capital inspires those who would like to see Estonia as another "Dniester Region". He stated that the "Isamaa" Union demands serious investigation of the conflict, adding that in other countries such an incident would immediately lead to the resignation of defense minister.

Meanwhile, a government commission has been set up to investigate the July 27 incident. It is led by the State Minister Uno Veering.

The secretary of the "Isamaa" Union Indrek Kannik who participated in the press conference suggested that the incident was a consequence of the conflict between the Defense Minister Ulo Uluots and the General Headquarters of the Estonian Defense Forces. Kannik noted that such internal conflicts raise questions about Western aid to Estonia.

Vahi Reportedly Apologizes

PM3007090192 Moscow IZVESTIYA in Russian
29 Jul 92 Morning Edition p 1

[Leonid Levitskiy report: "Estonians With Assault Rifles Check How Russian Generals Keep Their Word"]

[Excerpts] Tallinn—At 1030 hours 27 July, a detachment of the Estonian defense forces seized a naval construction workers' camp. Four hours later the marines took it back and captured the Estonian Army personnel. The commander of the liberation group was wounded along with a civilian construction worker. [passage omitted]

The camp's future will be decided at government level, according to a television report.

It is beyond belief. First Estonian and Russian guys almost shoot one another during a clear attempt to pirate assault rifles. Only then do statesmen start to tackle the matter. To be honest, it's frightening. It's not the bullets, what's frightening is the insane thought patterns of the politicians or high-ranking officials. They send guys to be killed, they send them to their death over a property dispute.

Prime Minister Tiit Vahi recently returned from Paris vexed at articles in the Western press about Kaitseliit men's attacks on the Russian military and said:

"If that happens any more, people in Europe will think of Estonians as barbarians from beyond the Urals constantly taking up guns."

Without doubt, military property in Estonia is a bone of contention since the two countries' parliaments have adopted mutually exclusive resolutions. It is also a contentious issue because some of it was sold to state and private firms before these resolutions were adopted. The republic prosecutor's office has instigated 15 criminal cases in respect of these transactions. It intends to instigate another 15, at least.

However, instead of a judicial inquiry, a rear services chief took guys with assault rifles to capture rear services establishments for the emergent Estonian Army on Defense Ministry orders.

Estonian Army representatives are now trying to prove that their soldiers had assault rifles, but no bullets. In other words, this was a moral deterrent. They say that the seamen were the first to take up their assault rifles and fire. Dozens of witnesses saw who shot when and where. People are saying that M. Tkachenko [the wounded construction worker] is willing to identify a man who sprayed bullets from his assault rifle. One of the bullets caught him too. What if the marines had succumbed to the heat of battle and shot to kill? The Army, including the Russian defense minister, has repeatedly warned: We will take suitable retaliatory action. Surely this is not the way to check whether the minister and his generals can keep their word?

There have been reports from the Russian Embassy that Estonian Prime Minister Tiit Vahi has offered an official apology for the incident.

Continuing Attacks on Russian Soldiers Noted

LD3007105892 Moscow *ITAR-TASS in English*
1029 GMT 30 Jul 92

[By ITAR-TASS correspondent Vadim Byrkin]

[Text] Moscow July 30 TASS—Unidentified people attacked a sailor on guard of the artillery dump of the Baltic Fleet in Tallinn last night.

The guard's helmet was pierced by a bullet, but the man was not injured, TASS learned from the CIS Navy on Thursday [30 July].

Another Russian sailor was attacked during the night by six armed militants near the security zone of the Baltic Fleet hospital. The attackers used tear gas, beat up the sailor and disappeared.

Anatoliy Gavrilov, acting commander of the Tallinn Naval Base, protested to police and the department of protection of the region against the attacks, the CIS Navy press centre said.

Farmers Demand Action on Debts, Credit

PM2907114992 Moscow *IZVESTIYA in Russian*
28 Jul 92 Morning Edition p 2

[Leonid Levitskiy report: "Estonian Peasants' Ultimatum"]

[Text] Tallinn—The freedom that was recently granted to the peasant is only a cruel joke.

This comparison was made by Agriculture Minister A. Molder. It is true that the peasant is in an unenviable position. The price of everything that he needs for farming has gone up a hundred-fold. Of course milk, meat, and grain prices have also gone up. However, the government's strict control has restrained them in every possible way. Indeed it was the monopolists who gained most of the profit—the processing plants and commerce. The peasants are teetering on the brink of ruin. They pay for every liter of gasoline with at least two liters of milk.

And indeed they do not receive the money for the produce they sell for months. The processing enterprises owe them 120 million kroons—1.2 billion rubles. At the very height of the harvest time, the peasants cannot afford to buy equipment, fuel, spare parts, and construction materials. The processing industry workers in turn, blame the trade system and the banks and delay the settlement of accounts. That is evidently how it is. Nevertheless, it is the peasants who are left in the most extreme situation. Production of agricultural output is falling disastrously.

The peasants believe that the Supreme Soviet and the government are to blame for their misfortunes. As a result, the Central Union of Agricultural Producers gave them an ultimatum: to pay all debts by 1 August, and to set preferential credits. Otherwise both the large farms

and the smallholders will stop selling all types of agricultural produce to the state and stop paying taxes. The French way of fighting is also being discussed—blocking highways. The combine harvesters have nothing to do in the fields anyway as a result of the drought, so let them at least remind people that there are still peasants in Estonia.

British Agriculture Minister Arrives for Visit
OW2907223392 Moscow BALTFAX in English
1851 GMT 29 Jul 92

[Transmitted via KYODO]

[Text] The British Minister of Agriculture, Fishery and Food John Selwyn Gummer who arrived on an official visit to Estonia Tuesday [28 July] met on July 29 with Chairman of the Estonian Supreme Council Arnold Ruutel and Prime Minister Tiit Vahi. Their meeting focused on agricultural problems of Estonia and the possibility of giving forage grain aid to Estonia.

Mr. Gummer told a press conference on the same day that he would try to persuade the European Community commission to grant Estonia with forage grain in order to prevent mass killing of cattle this winter.

Mr. Gummer said that Estonia which is suffering draught needs foreign aid. However, Great Britain alone cannot support Estonian agriculture. "Great Britain has transferred the right to resolve agricultural issues to the European Community, that is why this organization is in charge of giving such aid", the minister noted. At the same time, according to Mr. Gummer, Great Britain is prepared to actively participate in the implementation of all-European aid programs to Estonia.

Mr. Gummer believes that only rapid development of private farms can pull Estonian agriculture out of the present crisis. The minister admits that already in five years Estonian agriculture can reach the level of neighboring Finland.

In the words of Mr. Gummer, it is absolutely ruled out that "standard" Estonian agricultural produce can be competitive on the abundant British market. Only producers of rare delicacies have some chances there.

Airports, Airlines To Operate Separately 1 Sep
LD2407150992 Tallinn Radio Tallinn Network
in Estonian 1700 GMT 24 Jul 92

[Text] Anti Oidsalu, director general of the state airline Estonian Air, told a news conference today that from 1 September the airline will be split in two—into a state enterprise Estonian Airports, and a state joint stock company Estonian Airlines or Estonian Air [preceding two words in English]. According to the director general, the latter plans to continue using the existing Tupolev aircraft on flights. There are plans, however, to alter the aircraft interior to make it more comfortable for passengers, he added.

According to Mr. Oidsalu, the airline plans to open an office in Frankfurt as early as the end of this week, and another in Helsinki, in August.

Latvia

Godmanis Says Government Not To Resign
PM2907144392 Moscow IZVESTIYA in Russian
29 Jul 92 Morning Edition p 2

[Irina Litvinova report: "Ivars Godmanis: Government Will Not Resign"]

[Text] Riga—When Latvian Premier Ivars Godmanis addressed the parliament before the beginning of the summer season and flabbergasted the republic's residents by advising them to stock up on firewood and build small stoves, many people decided that the government was either laying it on thick or joking.

Two catastrophically hot months have gone by and it has emerged that it is not only cold winters, but also hot summers that cause problems. Specialists unequivocally conclude that the harvest will be a bad one. In some places spring crops burned up when they had barely had time to emerge, winter crops have also suffered: They will be doing well if the drought enables even 10 quintals to be harvested per hectare. The Ministry of Agriculture predicts that the country needs 2.1 million tonnes of grain to survive—that is how it is put today. Less than half of that—900,000 tonnes—will be able to be harvested.

Hitherto all efforts and funds were put into purchasing energy resources. Diesel fuel, fuel oil, gasoline, and gas have to be bought at world prices. That has cost tens of millions of dollars. Latvia does not have that kind of money. Credit is needed. However, starvation is no better than the cold: Dollar credits are also needed to buy grain. In that situation, varying forces in Latvia have increasingly begun to talk loudly about the resignation of Godmanis' government.

Ivars Godmanis himself, asked for a press conference to be convened 27 July (it was relayed on television live) to answer questions from journalists and the republic's inhabitants.

"There has been criticism from all quarters," the prime minister acknowledged. "But I must say that the government will not resign, we will fight to the end."

Ivars Godmanis explained his position: If we want to receive Western aid—and we cannot do without it—we will have to pay attention to the IMF experts' tough demands. Over the next few days the government intends to adopt a number of unpopular decisions closing the gap between the price index and wage increases. This does not spell an easy life for budget-funded personnel and state enterprises.

Godmanis thinks that if the anti-inflation program recommended by the IMF can be implemented, prices will

calm down by October or November. At present the prices of bread, meat, and milk, for instance, are higher than in Moscow.

Problems of Russian Troop Withdrawal Discussed

*LD2907212092 Riga Radio Riga Network in Latvian
1300 GMT 29 Jul 92*

[Text] Colonel General Leonid Mayorov, commander of the Northwest Group of Troops under the jurisdiction of Russia, paid his first visit to Ivars Godmanis, chairman of the Council of Ministers, at 1000 today. The talks, aimed at making acquaintanceship lasted 45 minutes; the main topic discussed was problems connected with the withdrawal of the Russian troops from our state.

Ivars Godmanis expounded and substantiated the (?competent) stance of the Latvian government on this question, namely, the Russian troops are to be withdrawn from Latvia in their entirety, first of all, and in the nearest future, from the capital, Riga. A demand was expressed for the army ranges to be vacated at Adazi, Dobeles, and Zvarde, and for immediate cessation of bombing exercises at Zvarde.

The premier categorically stated that no kind of illegal formation of commercial structures at the military sites to be vacated is permissible. He reminded Mayorov that all the immovable property of the army, in accordance with the legislation, is the property of the Republic of Latvia.

Fully agreeing with the necessity of withdrawal of the Russian troops, Colonel General Leonid Mayorov recognized as his main task, the implementation of this process. In his view, the most important task at present is housing construction for officers outside Latvia, because a positive solution of this problem would certainly speed up the troop withdrawal. There is construction capacity in Russia, but money is needed. In this connection, General Mayorov advanced a proposal for obtaining these means by selling or leasing the sites constructed by the army.

In turn, the premier recommended the use of assistance from western countries, for example, Germany, which is sharing the responsibility for the consequences of World War II.

The Adazi military range will be vacated within the next two to three months. Early removal from Latvia of the dangerous stocks of artillery ammunition is being considered, for example from the storage places in Ventspils.

The command of the Northwestern Group of Troops wishes to meet very soon with the heads of the Ministry of Defense, the Ministry of Internal Affairs, and other militarized structures of Latvia, in order to discuss the (?regime) of sojourn of the Russian troops.

Draft Law on Visas for CIS Residents Prepared

*OW2907222692 Moscow BALTFAX in English
1851 GMT 29 Jul 92*

[Transmitted via KYODO]

[Text] The Latvian Foreign Ministry has ended preparation of a draft law on the introduction of visa regime scheduled for September. Under the draft law, CIS residents should have Latvian visas in order to enter Latvia. The visa allows one visit to Latvia for no longer than 3 months (90 days).

Visas will be issued at border posts, at the Latvian Embassy in Moscow, by chiefs of trains or conductors. Most probably, at the beginning consular duty will not be imposed.

Commission Set Up To Overcome Energy Crisis

*LD2507163592 Riga Radio Riga International
in English 2030 GMT 24 Jul 92*

[Excerpts] The Latvian Council of Ministers has reportedly set up a commission for overcoming the energy crisis. This commission will control energy resources and their distribution. [passage omitted]

According to the calculations of Latvian specialists, Latvia needs at least 510 tonnes [as heard] of coal for the second half of this year. Russia has been reported to raise the price for coal already twice, which means that the expenses of coal purchase will reach 1,715 million rubles. This may possibly cause decrease of demand for coal, especially in the summer period, aggravating the pay back to the Bank of Latvia of the credit extended for the purchase of energy resources. [passage omitted]